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6 JANUARY 1987

## Near East/South Asia Report

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NEAR EAST/SOUTH ASIA REPORT

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DECLINE IN VALUE OF MAGHREB CURRENCIES

Paris JEUNE AFRIQUE ECONOMIE in French Sep/Oct 86 pp 42, 43

[Article by Samir Gharbi: "How Are the Maghreb Currencies Faring?"; first paragraph is JEUNE AFRIQUE ECONOMIE summary]

[Text] Foreign exchange is becoming more expensive: it takes more and more Moroccan dirhams or Tunisian dinars to obtain just \$1. The overvalued Algerian dinar is being sold at bargain prices on the black market.

Of the three Maghreb currencies--the Algerian dinar (DA), the Tunisian dinar (DT), and the Moroccan dirham (DH)--only the Algerian currency is seriously overvalued. The currencies of Tunisia and Morocco are evolving in parallel fashion, because the exports of both countries are strongly competitive: every depreciation of either currency is quickly matched by the other. The "battle of the exchange rates" between the Central Bank of Tunisia and the Bank of Morocco is therefore very hard-fought. Tunis has just made up its lag in "competitiveness" by carrying out a 10 percent devaluation on 19 August 1986.

As shown by the graph [not reproduced]--which traces the evolution of the three currencies since their creation (on 1 November 1958 for the Tunisian dinar, 16 October 1959 for the Moroccan dirham, and 10 April 1964 for the Algerian dinar)--their stability begins to weaken in 1971. A new era had been opened with the disappearance of the fixed parities and the gold standard, and with the advent of the floating exchange rates and the dollar standard.

The quotations on the three Maghreb currencies--which are not freely convertible--are established daily on the basis of a basket of currencies used by the individual countries to make foreign payments. Following is their behavior in terms of the DTS (Special Drawing Rights--the unit of account calculated by the IMF in terms of the principal currencies of the world); the dollar; and the French franc [FF]:

1. The DT and DH have respectively lost 59 percent and 52 percent of their value (expressed in DTS) from 1958 to September 1986. In contrast, the DA lost only 12 percent of its value. Accordingly, the DTS is today worth 1.02 DT compared to 0.42 DT in 1958; 10.64 DH compared to 5.06 DH in 1959; and 5.61 DA compared to 4.94 DA in 1964.

The dollar has its peaks and valleys.

Following its severe decline in 1978-1979, the price of the dollar climbed sharply in 1983 and 1984 only to weaken in late 1985 and in 1986. The DT--which was worth \$2.5 in 1979--is worth no more than \$1.2 today: a decline of 52 percent. During that same period the DH declined from \$0.27 to \$0.11 (down 57 percent), whereas the DA declined only 19 percent in value (from \$0.27 to \$0.22).

By comparison with the exchange rate established at the moment of its creation, however, the DA is today 10 percent more expensive (\$0.22 as compared to \$0.20), whereas the DT is worth 50 percent less today and the DH, 42 percent less.

3. The DA is similarly overvalued against the FF. It was worth 1 FF in 1964 and is today worth 1.49 FF--an increase of 49 percent!

The DT and DH have each declined 22 percent in value against the FF (from 10 FF to 7.77 FF for 1 dinar, and from 0.98 FF to 0.76 FF for 1 dirham). This is the reason why the DA is being sold at bargain prices on the parallel currency markets (in Algeria, France, and Switzerland)--at one-third of their official value (at from 0.40 to 0.43 FF, instead of 1.49 FF)--whereas the DT and DH have experienced only a slight decline in price.

10992  
CSO: 4519/17

INTERMINISTERIAL GROUP FORMED FOR INFRASTRUCTURE MAINTENANCE

Algiers EL MOUJAHID in French 1 Oct 86 p 3

[Text] Within the framework of the policy on maintenance of economic, social and administrative infrastructures and in view of the significance taken on by maintenance activity and its essential impact on the lifespan of these infrastructures, the government had decided to set up a working group consisting of representatives from all ministerial departments.

This working group, led by the Ministry of Public Works, had the task, on one hand, of taking stock and working up an appraisal of the situation prevailing all sectors in the area of maintenance and upkeep of economic, social and administrative infrastructures and, on the other hand, using this report as a basis, put together practical recommendations which must allow for enlivening this function and taking charge of it through the implementation of specific and effective actions.

This working group, after several meetings, has put together a significant document dealing with two of the questions cited above.

Insofar as the appraisal is concerned, it has been stated that operators were not concerned as is proper with maintenance problems, a task which was somewhat neglected. This situation did not fail to generate very negative consequences on the maintenance of these infrastructures. It has also been noted that the resources, both human and financial, dedicated to maintenance questions were quite insufficient and above all totally inadequate alongside the gigantic sums earmarked by the state during various plans for new investments.

In view of this state of things, and after exhaustively analyzing all problems relative to infrastructure maintenance, and considering the significance this question takes on, the working group recommended a whole series of steps to be taken and implemented in all sectors of economic, social and administrative activities so that the greatest concern may be afforded the maintenance function whose impact no longer needs to be proven and so that concrete and effective steps may be taken at all levels for an operable and rapid takeover with a view to setting up facilities and means for the implementation of the actions recommended by the working group.

This file was the subject of an investigation by the government which drew up a whole series of recommendations.

Ministerial departments were charged, each insofar as its own area was affected, with taking all the necessary steps with a view to implementing the actions connected with the various aspects of infrastructure maintenance.

The council of ministers took stock of the application of measures drawn up. This is how, out of 53 actions decided upon, more than 65 percent have already been put into operation at the level of the sectors affected.

The government has decided to ensure a sustained follow-up and step up efforts involving operations relative to maintenance both already implemented and draw up a program of action to be implemented primarily insofar as decisions made regarding the following aspect are concerned: public real estate patrimony (MATUC); school (MEN), university (MES) and health (MSP) infrastructures and equipment; airport and harbor infrastructures and equipment (Ministry of Transport); and taking over wadi- and canal-clearing activities and maintenance of waterpipes and all other water-related tasks.

The Ministries of Finance and Planning will jointly examine capabilities for improving conditions of maintenance activity financing.

9436/13104  
CSO: 4519/10

## ILLEGAL COMMODITY HOARDING DISCOVERED

Algiers EL MOUJAHID in French 23 Sep 86 p 9

[Text] How does a run on a given consumer product get started? Everything begins in fact with heavy speculators. They decide to stockpile certain quantities of a specific foodstuff. Each of them sets the number in terms of projected profit. But whatever these quantitites may be, they cannot in themselves create the slightest imbalance on the far more significant national market. The speculators then resort to other "tricks."

After hoarding the "target" product in a warehouse (in appalling storage and hygienic conditions), these miserable people move on to the second phase of their plan: false information. An operation which develops through wholesale supply points where retailers of necessity come together. That is where the "news" is given out for the first time: "Want a piece of good advice? Don't hesitate to buy more coffee than usual because "el-houkouma" has decided not to import it any more . . . Yes! It's because of the shortage . . ." Nothing more is needed. The "good advice" is repeated over and over in record time. The rumor is enlarged upon, and the small merchant, worried, doubles, triples his order with the wholesaler. The actual imbalance begins here. The demand for the product increases at a dizzying speed. It reaches its peak when the rumor hits the streets. After the merchant, the consumer will be doubling and tripling his usual quantities. This is how the stalls are emptied and breakdowns in supplies occur. The damage which ensues is enormous. Households start hoarding in turn and put a strain on their budgets. Poor storage of stockpiles within families causes dreadful waste. Then we are witness to the most censurable behavior such as peddling . . . for anyone looking for a pinch of pepper or a bit of coffee. The jockeying gets started and profit supplants good citizenship. Yes, enormous damage. It is not just economic; it is social, too. Indeed, the big speculators do not care; they have no values. Except one, maybe; that of the banknote.

Their misdeeds are hard to uncover because, as we have seen, the scarcity of a product may begin reappearing. The "orchestrators" of this sad performance are well aware that they must not tarry too long on the same product. The risks increase as the days pass. As soon as investigations by the security services begin to bear fruit, the underground wholesalers hasten to get rid of the quantities of products in their possession, while laying the groundwork

for the same scenario for a new "campaign" with a different product. And so on. The list of items offering speculation prospects is long: onions, garlic, pepper, coffee, school supplies . . . even insecticide.

Recently surety agents in Algiers have uncovered significant stockpiles of foodstuffs likely to be subject to some runs on the market. Tons of sugar, pepper, "Gloria milk, thousands of Moubyd" insecticide bombs, etc. All these warehouses, whether they are in El-Harach or Bab-El Oued, are run by racketeers with no account books or in some cases by retailers engaged in simultaneous wholesale transactions at underground locations. Last Saturday alone, five of these racketeers were brought before the public prosecutor by the police and placed under committal order.

The cleanup is underway in several forms. This involves combatting all the side effects which spring up as soon as distribution of a product is disrupted. These are all the peddlers and most especially the professionals in the system who camp out at the entry into the large areas. They are there early in the morning making time until the gates open so as to begin their turns; real peddling professionals who leave little to chance in housewives stocking up. As Algiers residents have been able to determine, for several days the police are not allowing any gatherings round the big stores before they open. Another activity takes place right on the inside of these large areas. In fact and among the ups and downs from a breakdown in stocks, supplying employees in these large areas becomes a source of concern. Giving as their reason to the right to purchases like everyone else, these employees demand their share of the sought after product. Everything becomes legitimate when one's own consumption is concerned. But observe: excesses have been spotted. Salespeople have been caught in the act as they leave their work with quantities worthy of the largest dining rooms. And watch your step, this sort of thing is going on at every delivery. No matter how many members there may be in a family, it can scarcely consume two kilos of coffee a day.

"I have 350 employees and I receive 1,200 kilos of coffee; what am I supposed to do," bemoaned one large store manager whom we met. While waiting for the administrators to work out this internal distribution, the police have given themselves the additional job of keeping their eyes open for any sort of corrupt practice on the part of personnel. This is why several sales people, cashiers, drivers, leaving with significant quantities of coffee and other things have been questioned.

As may be seen, the implications of a breakdown in supplies are significant. And add that everything begins with tendentious rumors. The consumer must put up with the rest. He walks in to the trap laid by shady speculators by giving in to rumors and rushing about the stalls.

What's worse, these big speculators have succeeded by making us believe that anyone who does not "play the game" is a "fool." Will we know how to show them the contrary should the occasion arise at their next bit on another product? The risks of being arrested are increasing for these shadowy "merchants." They will surely try to "take over" another product. It remains

to be seen which one. Perhaps sugar. Perhaps concentrated milk too. That is why the police are closely watching for an upswing of purchases at wholesale points such as those of the former ONACO.

As for themselves, it is enough for us not to jump blindly into the rumor trap. It is up to the consumers to react by leaving the speculators with their goods on their hands. And force them to sell dirt cheap.

9436/13104  
CSO: 4519/10

## MEASURES TO EASE RACIAL TENSION DEEMED INEFFECTIVE

London AFRICA CONFIDENTIAL in English 12 Nov 86 pp 5, 6

## [Text]

Mauritania is experiencing exceptionally serious tension between its different ethnic communities. The country's deep ethnic divisions, made worse by growing impoverishment, seem set to produce possibly the worst crisis since Mauritania became independent from France in 1960.

When he became president after a bloodless coup on 12 December 1984, Colonel **Maouya Sid'Ahmed Ould Taya** set three objectives which would distinguish his government from that of his predecessor, **Ould Haidalla**. It is worth noting that Ould Haidalla was overthrown while he was attending a Franco-African summit in **Burundi**. Fearing a coup, Ould Haidalla attended the summit only on the insistence of French President **François Mitterrand**, a circumstance which led many people to conclude that Taya's coup had tacit French approval, and that his programme of government was therefore acceptable to France. Taya's three original objectives were:

- to improve the country's economy.
- to redress the erosion of civil liberties and human rights.
- to take Mauritania out of the conflict in the **Western Sahara**, where Ould Haidalla had sided with **Polisario** and incurred the hostility of **Morocco**.

Taya has succeeded in these aims to some degree. He has released hundreds of prisoners and introduced a less repressive policy towards domestic opposition, at least until recently. He has taken a position of neutrality on the Western Sahara, but without rescinding Mauritania's diplomatic recognition of the **Saharawi Arab Democratic Republic**.

The economy, however, has got worse. This is in spite of - some might say because of - the country's close adherence to *International Monetary Fund (IMF)* economic guidelines. Poverty has in turn aggravated the country's profound social problems. Mauritania is on the verge of full-scale racial strife.

Although the country's ethnic problems are of long standing, the current crisis began in April 1986 with the appearance of a document called 'The Manifesto of the Oppressed Black Mauritanian' ('*Le manifeste du negro-mauritanien opprimé*'). The document, apparently written by a group of black intellectuals, circulated clandestinely in the capital, Nouakchott. The manifesto's authors, who had also sent copies of the document to international bodies including the *United Nations* and the *Organisation of African Unity*, protested against the oppression of blacks in Mauritania, which abolished slavery in law only in 1980 and where the black population continues to be dominated by Mauritanians of Arab-Berber origin. The government, the *Comité militaire de salut national* (CMSN), which has governed the country since 10 July 1978, took drastic action. It moved Interior Minister Lieutenant-Colonel **Anne Oumar Babali**, who is himself a black, to the ministry of commerce. He was replaced by Lt-Col. **Djibrik Ould Abdallahi**, a Franco-Mauritanian *métis*. Abdallahi immediately ordered a massive hunt for the authors of the 'blacks' manifesto. This manhunt started in Nouakchott and then spread throughout the country. The government was apparently convinced that the manifesto was not just the product of a handful of black intellectuals, but represented a much wider anti-government movement. Numerous blacks were arrested on suspicion of being part of a black dissident movement. The detainees included prominent writers, teachers, students, businessmen and former government ministers. Some 20 people were hastily tried in late September before a court which was boycotted by defence lawyers. The defendants were sentenced to between six months' and five years' imprisonment. Among those who received heavy sentences were the writer **Téné Youssouf**

**Guèye**, the ex-minister Djigo Tapsirou, and television journalist Ibrahima Sarr.

The government appears to consider that the problem of the black dissidents threatens Mauritania's multi-ethnic composition. The country has a population of some 1.6 million, of whom perhaps 40% are light-skinned people of North African origin, called Beydans or Moors, and a black population whose ancestors came from south of the Sahara. The blacks are divided into two principal groups:

- The Harratine, or freed slaves. They are the descendants of blacks enslaved by the Beydan tribes. Over the years they have assimilated the Beydan culture and language, called Hassaniya. In 1980, when Mauritania officially abolished slavery, there were reckoned to be 100,000 Harratine still enslaved and 400,000 who had been legally freed already.
- The black populations of southern Mauritania, who live especially in the provinces of Gorgol, Trarza, and Guidimaka. They consist of *halpulaaren*, meaning Peuhl-speakers, as well as Wolof and Soninké, who each speak their own languages. These free black groups were themselves slave-owners in the past, and have little cultural affinity with the Harratine. The position of the Peuhls, Wolof and Soninké in Mauritania is complicated by the fact that all these communities exist in considerable numbers in other parts of West Africa, especially Senegal, Mali and Guinea. A threat of secession by Mauritanian blacks therefore has serious implications for neighbouring countries. It is the blacks of southern Mauritania, especially the Peuhl-speakers, whom the government reckons to have provoked the present crisis and who now form the object of a counter-attack.

After the draconian sentences of the September trial, graffiti appeared on walls in Nouakchott, including in military camps, condemning the government. Like the tracts which are also circulating, they criticise the continuing domination of the white Beydans over the other ethnic groups. Rioters have burnt cars and shops in Nouakchott. In Nouadhibou, the second city of the country, a warehouse has been burnt down.

The authorities are showing signs of panic. Arrests are continuing throughout the country, and there are reports of widespread torture. Peuhl-speakers in particular are the targets of the government's attacks, from which not even policemen are immune. Government ministers speak in private about a 'Peuhl conspiracy'. The government is attempting to incite all the other ethnic groups against the Peuhls, and is also trying to sow discord within Peuhl clans. Peuhl civil servants are being required to sign motions of support for the president and to deny the existence of racism in Mauritania. Those who refuse are sacked. This was the reason for the dismissal of the secretary-general of the ministry of foreign affairs, Kané Soumaï, and of the director of the *Banque internationale pour la Mauritanie*, Wonné El Hadj. Another victim is the director of the *Société de construction et de gestion immobilière de Mauritanie* (SOCOGIM), Ibrahima. Nor have the CMSN and the army been spared from the anti-Peuhl drive. Lt-Col. Anne Babalie, named as commerce minister at the beginning of the current

crisis, has been sacked altogether and placed under house arrest. He has however been replaced by another Peuhl, El Hadj Dia, who is reckoned more docile than Anne. Black military governors who are members of the CMSN have also been relieved of their commands, like Captain Miang Harouna and Capt. Diop Djibril.

All senior army officers are members of the CMSN by virtue of their military rank. The CMSN's composition thus changes according to promotions or retirements within the army. Since December 1984, the leading members of the CMSN, apart from President Taya who is also minister of defence, have been Lt-Col. Anne Babalie who although today in disgrace, was the principal architect of the overthrow of Ould Haidalla. The current strong man of the government is Interior Minister Lt-Col. Djibril Abdallahi. His original name was Gabriel Symper. Born of a French father and a Beydan Mauritanian mother, he was invited to take a Muslim name when Mauritania became an Islamic republic. Abdallahi is well-known for his pro-French views. He was chief of the army general staff before being appointed to the interior ministry to deal with the black dissidents. His successor as chief of staff is a black, Lt-Col. Mohamed 'Pape' Diallo. He is said to resent Abdallahi's heavy-handed approach to the dissident problem. The deputy chief of staff is a Harratine, Lt-Col. Ould Lek Hal. But among Harratine army officers he has less prestige and a weaker personality than the Harratine Capt. Breika Ould Mnarek, former military governor of Nouakchott and a leading associate of ex-President Ould Haidalla. He followed his boss's fall, and is currently in prison on a charge of embezzlement.

More or less all the officers in the CMSN are closely connected to business interests. Many have been implicated in financial scandals at some time or another. President Taya himself is the subject of gossip due to the business dealings of his wife's family, which is of Lebanese origin. The presidential brother-in-law, Kamil Abdel Majib, is a leading official in the fisheries business and has responsibility for the too-liberal allocation of international fishing licences. This has led to the overfishing of Mauritanian territorial waters, among the richest in the world.

But the biggest long-term problem is Mauritania's frightening impoverishment. The desert is moving south at a speed which has upset the country's delicate ecological balance. According to some sources as many as 70% of the population is dependent on official food handouts. Nomads are moving to the towns. Precious pasture land is overgrazed, and this is putting pressure on the relatively fertile lands of the Senegal river valley in the country's far south, where black freemen have their farms.

#### POSSIBILITY OF STAGFLATION IN MOROCCAN ECONOMY

Paris JEUNE AFRIQUE ECONOMIE in French Sep/Oct 86 pp 42, 43

[Article by Jacques Vignes: "Is Rabat Facing Stagflation?"; first paragraph is JEUNE AFRIQUE ECONOMIE summary]

[Text] The factories are operating at reduced output, but prices are rising. The decline in the value of the dirham does not explain everything. Is the usual IMF medicine the solution?

Devaluation plus market prices: this is the bitter pill that the experts of the International Monetary Fund are preparing for Morocco. In other words, the time is past when this country could live with an overvalued currency and a system of subsidies that enabled it to keep staple articles at a relatively low price.

"The principal disadvantage of an overvalued currency," the IMF experts emphasize, "is the fact that it encourages imports to the detriment of exports. As for subsidies, the truth is that in the final analysis someone has to pay for them. That 'someone' can only be the taxpayer, on the one hand, or government intervention in the form of a monetary policy that inevitably encourages inflation, which in turn hits hardest at the middle classes, who comprise the great bulk of the nation's taxpayers and consumers."

In appearance at least, the facts serve to reinforce this analysis. To start with, a decision on devaluation no longer remains to be made: devaluation already exists de facto. Since early 1986 the Moroccan dirham has lost almost 30 percent of its value against the principal European currencies and the dollar. The result: an equivalent increase in the price of imported goods. Worse still, the price of domestic products is going up correspondingly. "We find ourselves," a Bank of Morocco report states, "faced with a supply that is insufficient in relation to demand."

Wages, however, are far from keeping up with the rise in the cost of living. In the civil service--and even in the ranks of middle management of private enterprise--the average salary has leveled off at around 2,500 dirhams per month, that is to say, barely 2,500 French francs at the present time. For want of a market, many factories soon found themselves operating at reduced output, despite the overall insufficiency of supply. Has Morocco perhaps

entered a period of "stagflation" (inflation in the midst of stagnation) similar to the one that certain Western countries experienced from 1975 to 1984?

To escape from this dilemma, the opposition is advocating revitalization of the economy via the consumption route, and in particular by revising the salary scale. Certain examples, however--such as France from 1981 to 1983--have demonstrated the limitations and dangers of a policy of this kind, which in particular has the effect of engendering--when the industrial plant and sources of supply prove insufficient--a sharp increase in the price of imports, which in turn creates diséquilibrium in the trade balance.

What, then, should be done? At this point, the economic weapon has proved insufficient by itself to provide the solution, in that its implementation gives rise to serious political problems. For example, the IMF strongly recommends elimination of the Compensation Fund, which subsidizes staple articles; but Moroccans have not forgotten that just such an attempt in January 1984 provoked what was called "the hunger riots." The government is therefore compelled to move with the greatest caution in this area.

Another source of friction is the proposal to create new jobs in the civil service--a move designed to induce a measure of revitalization through consumption and make it possible to absorb some of the unemployed.

The Moroccan Government had envisaged the creation of 15,000 jobs by this means. The IMF's reply was: 2,000 to 3,000 jobs, no more, for it would be dangerous to exceed these figures.

Berrada, the current minister of finance (he took office in March 1986), seems for his part to be convinced of the validity of the recommendations of the international experts; putting these recommendations into practice, however, is more hazardous. Pending a solution, negotiations with the IMF have been suspended for the time being, but they must inevitably be resumed. Morocco needs the help of the IMF in its attempt to escape from a dangerous situation. It remains to be seen whether the recommended remedies will not have consequences more serious than the ills they are designed to correct. At present, everything is proceeding as if everyone were observing the evolution of the situation with the idea that within a relatively short time a surgical operation will become urgently necessary. One thing is sure: the fact of its urgency will not render it any the less painful.

10992  
CSO: 4519/17

## BRIEFS

WEAPONS AS GIFTS--An official source in the presidential palace explained that the secretary general of the Ba'th Party in Syria, Mr 'Abdallah al-Ahmar, has bestowed as a gift on the Sudanese delegation which accompanied Mr Idriss al-Banna, deputy chairman of the Head of State's Council, six Klashinkov rifles, and five pistols. The source said that that is legal and that the presidents of the republics are accustomed to receiving such gifts. The source elaborated that legal measures have been taken to introduce the weapons into Khartoum. The deputy chairman of the Head of State's Council explained that he has issued a decision to give these weapons to the police forces. The source said that a letter for the interior minister has been written, acknowledging that the weapons have been given to the police, and elaborating that the legal measures of turning these over in the Khartoum airport were completed in the presence of the representative of the palace chief of protocol and the representative of the customs office by the deputy chief of staff. The source pointed to the arrival of the delegation which accompanied the deputy chairman of the Head of State's Council which was comprised of Dr Khalid Yaji, member of the National Grouping Secretariat, and a number of members who had arrived the day before the arrival of the weapons in a C-130 plane which was carrying a delegation of the leaders and the staff. [Text] [Khartoum AL-SIYASAH in Arabic 21 Oct 86 p 1] 13035/7051

COOKING OIL TARIFFS--The government levied additional tariffs of 30 percent for cooking oil recently imported vis-a-vis the private sector. This proportion amounted to the equivalent of 18 Sudanese pounds per jug, thereby making its imported price 61 Sudanese pounds per jug (This is a container whose weight is 36 pounds). A source for AL-SIYASAH explained that this tariff is the difference between the revenue from the export according to the exchange price of exporting and the allowed price of import. The AL-SIYASAH source also elaborated that the quantities of imported oil arriving in the country, in addition to the available seed oil and the new season's harvest, all represent more than the country's annual needs which were estimated by the ministries of commerce and industry to be 120-130,000 tons. Whereas al-Faw estimates amount to 275,000 tons, the Arab Organization of Agricultural Development estimates 162,000 tons, and the Arab Union of Food Industries estimates 300,000 tons. The price of a jug is 27 Sudanese pounds, yet the government charges 43 Sudanese pounds per jug. [Text] [Khartoum AL-SIYASAH in Arabic 21 Oct 86 p 1] 13035/7051

**COOKING OIL SHORTAGE**--Mr Mubarak 'Abdallah al-Fadil, minister of industry, explained in a press statement that there is a deficit in cooking oil estimated to be 40,000 tons, adding that consumption is estimated to be 120,000 tons, and local production amounts to 80,000 tons. The minister elaborated that some of those working in the oil industry in Port Sudan have proposed to export from quantities which they have of sesame and import cooking oil in return. He pointed out that the exported quantities in each case amount to 5,000 tons of sesame and in return 9,000 tons of cooking oil are imported, explaining that the price of sesame oil, when pressed, is 92 Sudanese pounds per large jug, whereas imported date oil is sold for 61 Sudanese pounds per jug, including about 20 Sudanese pounds of tariffs for the state. The statement said that the local cooking oil used to be sold at double price in the black market--120 Sudanese pounds. Its price dropped to 55 Sudanese pounds per jug after importing the oils from abroad in spite of the allowed price of 65 Sudanese pounds. [Text] [Khartoum AL-SIYASAH in Arabic 20 Oct 86 p 3] 13035/7051

**DRAFT LAWS APPROVED**--In its periodic meeting the night before last, the cabinet approved two draft laws submitted by the minister of finance and planning pertaining to verification of the two loan agreements between the Sudanese government and the Kuwaiti Fund for Arabic Economic Development for up to 10 million Kuwaiti dinars as a contribution toward financing an electric project for the national capital, on the one hand, and the OPEC Fund for International Development for up to \$40 million to support 1986 budgeted payments, on the other hand. The cabinet also approved the draft law submitted by the minister of health pertaining to verification of the agreement signed between the Sudan and the parent organization for 1986. Likewise, the cabinet approved a memo from the foreign minister pertaining to opening up an agricultural advisory council to cover the European Common Market states in The Hague. [Text] [Khartoum AL-SIYASAH in Arabic 21 Oct 86 p 1] 13035/7051

**MORE EXPATRIATES ENCOURAGED**--About 12,000 Sudanese workers have gone abroad to different countries during the current year. Al-Hasan Muhammed 'Abd-al-Rahman, director of Sudanese employment abroad, said that the expatriating occurs through examinations and through personal efforts to obtain labor contracts. He added that the request for Sudanese labor diminished as a result of many countries, especially Saudi Arabia, depending on their own nationals as well as the effect of the decrease of oil prices in the international marketplace and the Gulf war. Hasan also noted an increase in the demand for new types of Sudanese workers, such as shepherds and security guards, who are selected from among students with Sudanese high school diplomas. Sudanese workers processed to work abroad are as follows: shepherds, 1,985; cooks, 279; clerks, 516; engineers, 53; farmers, 421; pharmacists, 227; skilled workers, 490; and teachers, 3,604. Most of those who went abroad to work returned to Saudi Arabia, Libya, the UAE, Kuwait, Iraq, and Jordan. The UAE had 170; Iraq had 1,006; Jordan had 299; Kuwait had 158; Qatar had 403; and North Yemen had 3,114, mostly teachers. [Text] [Khartoum AL-SIYASAH in Arabic 16 Oct 86 p 1] 13035/7051

ATTEMPTS AT PARTY RECONCILIATION--AL-SIYASAH learned from informed sources that efforts for Islamic mediation between the Umma and National Islamic Front parties are being made to reconcile the two viewpoints about national issues brought up for discussion. AL-SIYASSAH's investigations, according to informed sources, confirmed that the agreement to form a bilateral committee between the Umma party and the National Islamic Front has been completed in order to discuss the differences on national issues brought up for discussion with the goal of reaching a mutual formula that will benefit the Sudan. The sources pointed out that the formation of the bilateral committee has been crystallized after the meetings that took place recently between Mr al-Sadiq al-Mahdi, president of the Umma party, and Dr Hasan 'Abdallah al-Turabi, secretary general of the National Islamic Front. AL-SIYASAH points out that Mr al-Sadiq al-Mahdi, the prime minister, had met recently with the secretary general of the National Islamic Front in the Turkish capital (Ankara) where they discussed current national issues during their participation in the International Islamic Conference which was convened recently in the Turkish capital. [Text] [Khartoum AL-SIYASAH in Arabic 21 Oct 86 p 1] 13035/7051

CSO: 4504/57

TUNISIA

BRIEFS

PALESTINIANS VISIT COMMUNIST HEADQUARTERS--A Palestinian leadership delegation, consisting of Comrades Sulayman al-Najjab, a member of the Politburo of the Palestinian Communism Party, and Yasir 'Abd-Rabbuh, a member of the leadership of the Politburo of the Democratic Front for the Liberation of Palestine recently visited the headquarters of the Tunisian Communist Party. They came to Tunis for ongoing consultations for the preparation of the Palestinian National Council. Comrades Mohamed Harmel, Mohamed Ennafaa, Abdelhamid Ben Mustapha and Abdelmajid Triki received them at the party's headquarters. A dialogue took place concerning the Prague agreement which was ratified last September between factions of the Palestinian revolution. This represents an important step toward unifying Palestinian ranks within the framework of the PLO. [Text] [Tunis AL-TARIQ AL-JADID in Arabic 8 Nov 86 p 2] /9599

CSO: 4504/62

## COMMANDER OF II CORPS DISCUSSES RECENT BATTLE

London AL-DUSTUR in Arabic 3 Nov 86 p 16

[Interview by 'Abd-al-Wahhab al-Qaysi; date and place not specified]

[Text] One of the recent battles between Iraq and Iran that particularly attracted the attention of observers was that for the strategic Iraqi Hill 654, which the Iranians temporarily occupied and the Iraqi forces recaptured 15 hours later according to a plan based on concentrated fire from five artillery battalions. The Iranians were forced to retreat with casualties, which included 5,000 dead and many wounded as well as losses of weapons and equipment.

AL-DUSTUR's correspondent was there, traveling from one Iraqi fortification to another on the front line between Iraq and Iran, specifically, at a strategic ridge called Aq Dakh by which the Iraqi forces dominated the Khosravi basin, where the Iranian city of Qasr-e Shirin is situated.

From an Iraqi observation post located about 2 km from this city and occupying a strategic position from the top of Aq Dakh, our correspondent was able to observe clearly the movements of the Iranians. He also saw the Saddam Husayn mosque that the Iraqi president had built in the fall of 1980. This was the mosque in which King Husayn prayed at the end of his visit in 1982, that is, a few days before the Iraqi withdrawal to the international borders.

A calm had descended over the front, broken only by the sounds of intermittent artillery fire. The Iranian city showed no signs of human life. It had become a combat zone dominated by Iraqi artillery and the Iranian movements could be seen with the naked eye.

In the valley beyond Aq Dakh extended the Iraqi fortifications strengthened by electrified barbed wire, mines, etc. that make it impenetrable by the Iranian forces.

A military car (Range Rover) carrying our representative halted on the way to the II Corps headquarters and a political guidance colonel pointed to the Iraqi fortifications, saying: "If an entire Iranian corps should attack our positions, it could be checked and destroyed by one-tenth of our troops."

He then pointed to the scorched earth between the Iraqi and Iranian forces and to the craters created by the Iraqi artillery bombardment. "President Saddam Husayn," he said, "forbade the troops to counterattack to recapture Hill 654. He ordered five artillery battalions to clear the ridge and recapture it. Because of the artillery bombardment we were able to hear voices calling for help on the Iraqi communication system. I myself heard the commander of the Iranian unit urgently ask his leaders for reinforcements. He lost his nerve and informed them that he was forced to retreat and flee after he lost his troops. And when he was ordered not to retreat, he cursed them and shouted 'You can have me shot.' His voice then faded away at a time when Iraqi helicopters and long-range artillery were cutting the enemy's rear supply lines and finishing off the remaining attack troops. This was in a battle where 5,000 of the enemy were killed."

The strategic importance of Hill 654 is due to its elevated location and domination of the region. It is considered the "safety valve" of the city of Khanaqin. Hence the objective of the enemy's offensive was to try to sustain its advance. Occupation of the ridge means for the Iranians cutting off supplies from the pivot of operations in Khanaqin and the surrounding hills, thereby leaving the way open for the Iranian troops to place the city of Ba'qubah, "the orange city," in the Diyala district, at the Iranians' mercy. This was in addition to the fact that this hill is one of the most important strategic areas which was agreed upon to be returned to Iraq in accordance with the 1975 treaty between Iraq and Iran among other lands in the Sayf Sa'd sector extending into the Khosravi basin, which is adjacent to the Iraqi border city of al-Mundhiriyah.

At the II Corps headquarters AL-DUSTUR met with Lieutenant General 'Abd-al-Sattar Ahmad al-Mu'ayyini, corps commander, and in his comments on the last six battles with Iran that took place from north to south...and how they were decided in record time, he pointed out that the Iraqi forces were fully aware of the enemy's movements and that they had taken every essential precaution to foil the objectives of the offensive. He also mentioned the morale of the Iraqi soldiers, their efficiency, and fighting ability from the standpoint of equipment and individuals, asserting that all these factors contribute to Iraqi decisiveness and to victory over the Iranians, who are suffering, according to foreign observers, from a breakdown of morale.

[Question] Can the Iranian attack on Hill 654 be regarded as the prelude to another offensive like the decisive one they are always talking about in Iran?

[Answer] If they should succeed in breaking through our front, they would be able to mount their offensive and reinforce it. But what happened is that they came up against the wall of our fortifications and suffered a defeat that destroyed the best of their forces.

[Question] How important in this offensive for them?

[Answer] It is important because this sector is close to the city of Khanaqin and its occupation would mean occupying part of the Iraqi border, thereby affecting Khanaqin and putting it within Iranian artillery range. Another objective of its occupation would be an attempt to boost the enemy's declining morale.

[Question] What do you think, from your position, of the size of the Iranian mobilization that is mentioned in reports with their imaginary figures?

[Answer] Iranian talk of "mass mobilization" is designed to deceive the Iranian people and create the impression of being able to undertake mass mobilization for the offensive against Iraq. From where I stand, I can assure you that the Iranians are now experiencing a crisis that prevents them from mobilizing volunteers. The figures they talk about are exaggerated and inconsistent with the real figures of this mobilization. We, on the other hand, are superior in equipment and numbers both as soldiers and as a people, all of whom are engaged in combat.

[Question] Did the Iranian air force take part in the battle for Hill 654?

[Answer] Absolutely not, because the Iranian air force cannot confront the Iraqi air force. It therefore flees and tries to take revenge on, for example, the civilians of Basra.

[Question] Do you expect the Iranian troops to try to seize this ridge?

[Answer] We always expect it...and from any direction. We use the fortifications and necessary reserves, watching all probable and improbable routes in order to deny them any opportunity to advance, however slight it may be. Don't forget that this territory is by nature strategically important.

[Question] Have there been any breakthroughs on your front?

[Answer] There have been breakthroughs and lost ground was regained after the battle of al-Faw, especially in the region of Mandala and Harran. They were regained in the battles of the mobile defense after the high command adopted that strategy.

[Question] What do you think of Iran's announcement that this offensive will be the decisive offensive?

[Answer] They are trying to boost their sagging morale after the Iranian people discovered their lies and intentions. Every year they say this battle is going to be decisive. The battle takes place and ends with their defeat because they dream but are unable to bring it to life. It is an illusion that collides, as it always will, with the tall Iraqi wall.

5214/7051  
CSO: 4404/83

CURRENT INTERNAL POLITICAL SITUATION ASSESSED

London AL-DUSTUR in Arabic 3 Nov 86 pp 24, 25

[Article: "Political Movement, Relaxation in Security, and Some Rumors: Kuwait Rejuvenates the Councils"]

[Text] In Kuwait there is calm, with some rumors, and the continued deportation of anyone who breaks the law of the country.

At the same time that a Gulf official warned that terrorist attacks would not stop, that concern would increase, and that the factors of instability in the Gulf would grow, Kuwait was witnessing a new chapter in the area of explosions and attacks that aimed at shaking internal security and putting pressure on the political stability of the institutions and symbols of the state.

The trial of those accused of attacking the procession of the prince of the country, Shaykh Jabir al-Ahmad (which took place in May 1985), and the trial of those accused of attempting to assassinate the editor in chief of the newspaper AL-SIYASAH, Ahmad al-Jarallah, fulfilled the promise that the executive authority made to punish those who carry out attacks and not to yield to blackmail and pressure so as not to encourage the idea that future attempts to disrupt the security and stability of the country would be easy.

The essence of the firm decision that the responsible authorities made says: "Pressures from any quarter do not concern us, because whoever commits any act against the security and stability of Kuwait will pay for what he has done and we will not pay attention to any threats from any quarter whatsoever." Thus, because it appears that the judicial system will carry out its task through trials that will be turned over to secret sessions in order to preserve public order, observers fear that the expected judgments will provoke a reaction of revenge that will disturb the steady calm that has settled on the country since the explosions at the oil assembly in al-Ahmadi port (last June). These people also point out the constant pressures that attempt to obstruct the law. Likewise, in a new statement, Islamic Jihad organization has threatened that the French hostages in Lebanon would not be freed until France convinced the Kuwaiti authorities to release the 17 prisoners convicted of arranging the blowing up of the American and French embassies and a number of vital institutions in Kuwait in 1983.

However, the firm decision is the same: No dealing with terrorism, pressure, and blackmail. As much as this has mirrored fear and anxiety about an unforeseen relapse in public safety, it has left a feeling of relief among public circles, because justice takes its course in defense of security and stability.

#### Posture of Meditation

The atmosphere of the relaxation of security has been accompanied by political calm or what has been called consolidation of the domestic front, not its freezing. Decision-making centers in Kuwait consider that the phase that began after the dissolution of the National Council, the suspension of certain articles of the constitution, and the formation of the new government was meant to be a basis for freeing the executive agencies from the obstacles of quarrels and controversy, because there are many files that no longer can bear postponement and auctioning to the highest bidder, especially considering the conditions of pressure under which the Kuwaitis are living, some of which are linked to the conditions of the Gulf in general.

Thus, governmental decisions continually treat domestic conditions, especially in the area of the economy, limiting the manifestations of the recession and activating administrative action to solve problems that have accumulated while the gulf of differences between the government and the dissolved National Council got wider. The question that is still being asked after the passage of about 4 months since the famous speech of the prince of the country on last 3 July is: if the "posture of meditation" that followed the dissolution of the National Council in August 1976 at that time required 4 years for the execution of a complete review and an evaluation of the relation between the executive and legislative authorities, how long will the phase of consolidating the domestic front last?

Kuwaiti officials say that the first manifestation of this distinguished and special period is the dynamic of political action to confront many challenges. To this can be added the rejuvenation of the councils that represent "a national institution that has a large role in our society" according to the words of 'Abd-al-'Aziz Husayn, originator of the longest experiment in Kuwaiti political work. This custom, which is considered one of the characteristics of daily life in the Gulf in general, has recently taken a new dimension here through the open ministerial councils that have been encouraged by Crown Prince Shaykh Sa'd al-'Aballah, whereby the citizens obtain direct access to the ministers 1 day a week, make their complaints to them, and exchange counsel.

Are these councils, then, a substitute for popular or parliamentary supervision or are they one kind of it?

#### The Substitute and the Original

This question leads to two indications: the first appeared in the speech of Prince Shaykh Jaber al-Ahmad when he said: "We will not abandon our representative path, which we believe in to ensure the preservation of Kuwait and its people." The second indication is related to the counseling and to what

has often been repeated about the possibility of the formation of a consultative council that is consistent with the givens of the current political condition of the country. The Crown Prince Shaykh Sa'd al-'Abdallah had already recently mentioned in his conversation with the editors in chief of the local newspapers and magazines that it was premature to take this step, "but when the appropriate time comes and we see that the interests of Kuwait demand the formation of this council, it will be announced." In other words, the possibility exists and it brings to mind the oldest experiment in the region of the Gulf that occurred in Kuwait when a consultative council was established in 1921. However, a return to this political framework will in all probability be temporary and is not a substitute for the National Council, as an official Kuwaiti source, who thinks despite this that the majority of Kuwaiti citizens supported the dissolution of the parliament, told AL-DUSTUR. The above-mentioned source adds that in recent periods, the council formed, because of its legislative activity, what could be considered an obstacle to the flexible policy of the country. Likewise, it did not help to "solidify" the internal situation and, amidst the well-known sensitive conditions when the noise of the artillery on the fronts of the Iraq-Iran war echoed in the heart of the capital of Kuwait, it would have been more useful if the representatives had cooperated with the government without resorting to a policy of obstructing decisions through continual interpellations and bitter controversy.

Without going into the well-known repercussions of a continued Gulf war a short distance from the borders of Kuwait, the source himself believes that the return of peace to the region is the key to stability for all its peoples and may be the most important factor aiding in opening a new page in Kuwaiti parliamentary life, which would mean the call for representative elections.

It is worthwhile to point out one more time what appeared in the conversations of the crown prince and prime minister when he made clear that the decision to dissolve the National Council was made after matters in its sessions became unbearable. In the framework itself, observers understood that there are sensitive issues that must be handled with caution and secrecy, since Shaykh Sa'd al-'Abdallah alluded to a day that would come in which he would talk to the citizens through the media and hinted that if conditions required that he speak frankly with them, he would do so and not hide anything.

#### Simply Rumors

In any case, if representational life is frozen and the final decision about it is in the hands of the prince of the country, the press is still subject to the former censorship and is awaiting the issuance of the new printed-matter law. The rule that was followed before the latest decisions of the prince was the practice of self-censorship. It is said that the press succeeded in applying this rule with regard to the country's foreign relations, but failed on the level of the treatment of local issues to the extent that some of it "contributed to the fragmentation of the internal front," as the crown prince and prime minister termed it. He added: "Certain people have written articles in which

there is a lot of venom. This has led to dissension, quarreling, and factional chauvinism." Given the role of the press, which is considered exceptional on the regional level, as is the Kuwaiti parliamentary experiment, some of those who are skeptical of the new measures link its isolation to the current coordination within the framework of the Gulf Cooperation Council in various fields: defense, security, the economy, oil, trade, investments, cultural activities, education, and the media. However, this idea is a mere slander, according to an informed Kuwaiti source. He defines the nature of the measures that were taken to strengthen stability and ensure calm; they are all "internal matters and the concern of Kuwait alone. The decision makers have decided what is consistent with the interests and path of the country and the aspirations of its citizens. As for the conclusive answer to these charges, it is the security agreement that was brought before the Cooperation Council and which we did not agree to because it was incompatible with some of the articles of the Kuwaiti constitution. Gulf cooperation is an experiment for all Arabs, since it gives them clear proof that unity is possible without infringing upon internal matters for those who have chosen it as a method and a policy." Abundant information now indicates that the new printed-matter law will be clear in its articles and its goals. It is intended that past errors be avoided, given the significant role that words exercise in the ranks of various social categories. Officials stress that there will be no stifling of voices, contrary to the rumors that certain people are circulating, and there will be no battle with the press because, to begin with, the authorities did not forbid anyone from publishing or writing when the previous censorship was imposed in the beginning of last July. What remains striking is the return of the Kuwaiti newspapers to directing criticism at government activity and the manifestations of inadequacy in certain agencies. For example, there is "management by remote control" and "the abuse of power by certain people" and also "the sincere call to stop the inconsistency between what the state proclaims day and night and what certain of its agencies do in the evening."

Therefore it is said that the bet will remain on the words that criticize in a constructive tone, without injuring or provoking sensibilities, anxiety, and chauvinism and without participating in circulating rumors that only serve "foreigners and those bound to foreign accounts."

What arouses concern is that these rumors, which in the past were accompanied by bombings here and there, have returned once again to move from council to council and disturb the calm and stability. It has become clear that those who have planned to fragment the internal front have not yet tired.

13292/8309  
CSO: 4404/94

**PLAN TO INCREASE NATIONAL MANPOWER**

**Kuwait ARAB TIMES in English 18 Nov 86 p 3**

**[Text]**

THE director general of the Public Authority for Applied Education and Training, Dr Jassim Khalaf, has said that the authority had dismissed one percent of its staff due to their lack of qualifications and experience.

**Equal**

He added that the authority had started a five-year plan, aimed at training national manpower to meet the needs of the local market and its future development. He said that applied education was very important and that the authority had set up committees to evaluate the qualifications and certificates of the authority's teaching staff, and those teachers with certificates from universities not recognized by the authority would be sent abroad for further study.

He said that the number of students training in the authority's institutes and training centres had increased by 35 percent this year with 1,162 students preferring to join institutes of the authority even though they were qualified to enter the university.

He added that bachelor degrees given by the authority were equal to those given by the university.

Dr Khalaf said that the authority had also established a special office to follow up students' progress once they had obtained their degrees and to help them find a job.

He added that foreign universities had not yet recognized the authority's colleges as they had only been created this year and would take some time to determine their academic levels.

/9274

CSO: 4400/71

KUWAIT

BRIEFS

ANTICIPATED AWACS PURCHASE--The Army and Armed Force Chief of General Staff Major General 'Abdallah Farraj al-Ghanim announced the preparation of more than one plan to counter any type of incident. He pointed out that the early-warning network that was set up to protect the skies of Kuwait will begin operating at a 40 percent capacity as of the first of January and that come August, the network will have reached final completion as regards command and control. He added that the GCC intends to buy one of the technologically advanced early-warning (AWACS) and naval reconnaissance aircraft the costs of which will be assumed by the GCC states. He mentioned that Kuwait is concerned about attacks on GCC ships and transport vessels, that it has provided the necessary naval and aerial protection in its territorial waters and that it is attempting to coordinate with its GCC sister states that have a naval sector so that each state which has a naval sector will assume responsibility for its protection. [Text] [Kuwait AL-MUJTAMA' in Arabic 28 Oct 86 p 9] /9599

REDUCED PARTICIPATION IN ORGANIZATIONS--The Economic and Financial Committee of the Council of Ministers, in cooperation with the Ministry of Planning, has drafted some new laws for the reorganization of Kuwait's participation in international, regional and Arab organizations and institutions in light of the results of its study of their financial conditions and inquiry into their anticipated benefit. These laws are aiming at reducing and limiting Kuwait's participation in these organizations or hosting their headquarters, in addition to establishing coordination with the GCC countries on this subject. This necessary step deserves our thanks, for these Arab and international organizations have drained a large amount of Kuwaiti financial resources without that financing having any clear, creative role--indeed without these organizations having a notable, positive role. [Text] [Kuwait AL-MUJTAMA' in Arabic 4 Nov 86 pp 6, 7] /9599

CSO: 4404/114

## MINISTRY OF COMMUNICATIONS PLANS MAJOR ROAD PROJECTS

Muscat TIMES OF OMAN in English 27 Nov 86 p 1

**[Text]** The Ministry of Communications is to embark on several major road projects to link various wilayats in the Interior.

These include construction of a 75 km road to connect wilayat Kamel al Wafi with Niyabet al Ashkara of wilayat Jalan Bani Buali. The other road will connect wilayat Mudaibi and Haima with a concrete stretch of 60 km.

This was announced by Sheikh Hamoud bin Abdulla al Harthy, Minister of Communications in a newspaper interview.

He said the two road contracts to be concluded shortly will cost R.O. 12 million — six million each. He expressed the hope that the two contractors will be able to complete the projects within 15 months of the date of signing.

The Ministry will pave during the coming years about 300 km of roads in Zahera, Batinah, Sharqiya, Wusta and Dakhiya regions, he added.

Sheikh Hamoud disclosed that an agreement was reached recently with some Arab funds to finance the construction of internal roads and it had been decided that the funds will contribute one third of the cost of these projects amounting R.O. 30 million.

He said the Ministry had finalised technical specifications for these projects and these will be submitted to the Tender Board.

The Government, he went on, will take into account the density of population in the wilayats, traffic on the internal roads and the projects' cost before carrying out road projects.

The Minister said the Ministry presently was carrying out studies in the coastal areas between Muscat and Sohar in order to determine a proper site for a new port to lessen pressure on Mina Qaboos. The study may be completed by next year and it is expected to have construction of the port in the fourth Five Year Plan.

He said that another study is in progress for developing Mina Raysut in the Southern Region to make the port capable of accommodating ships of large sizes.

About the development of airports, Sheikh Hamoud said that a study had been launched to make Salalah Airport an international one and to extend the length of the airstrip.

The Salalah airport, he said, is equipped with the most modern technological equipment to serve travellers.

Sheikh Hamoud who left on Tuesday for Iraq to attend meetings of the joint Omani-Iraqi Committee, said that the committee will discuss promotion of commercial exchanges between the two countries and will study the agreement signed by them in civil aviation.

/13104  
CSO: 4400/74

## MINISTER INAUGURATES MUSANDAM DAMS

Muscat TIMES OF OMAN in English 27 Nov 86 p 2

**[Text]** Three flood control dams were inaugurated last week by Brigadier Sayyid al Mustasim bin Hamoud bin Nasr al Busaidi, the Minister of Regional Municipalities Affairs and the Chairman of the Musandam Development Committee.

The dams, in Wadi Khasab, Wadi Sharjah and Wadi Mawa, will control a rainfall catchment area of 300 square kilometres. Floods of an intensity which occur less frequently than once in a hundred years will be contained behind the dams then gradually released through the bottom outlet pipes.

Floods of a greater size will pass their excess volume over the dam spillway across a rock armoured overflow section.

The biggest dam, Wadi Khasab, is 28 metres tall from its lowest foundation level and can store 12 million cubic metres of water.

The Wadi Mawa dam is longest at 910 metres between its jabel abutments.

The gradual discharge through the outlet pipes of the majority of the flood water will maximise the recharge of the vital aquifer on which Khasab depends for its water supply.

The Khasab Flood Control Project was carried out by the Musandam Development Committee under the second Five Year Plan.

The Minister also inaugurated the Khasab Road Project — Phase

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The new project comprises 12.6 km of paved roads together with associated footpaths, street lighting, and landscaping.

A one kilometre section of the road is confined to the main wadi channel where it passes through the date groves, and this section is of concrete construction with special flood protection features.

The new Corniche road provides a scenic link from the Suq to the waterfront Khasab fort and gives much needed coastal access to the Kumzari area of Khasab. Mina Khasab which forms the northern limit of the new road, now has paved access to all principle areas of the town.

The RO 3.44 million Flood Control dam Project was completed in 21 months, while the road project took 15 months at a cost of RO 1.54 million.

Minister of Agriculture and Fisheries Mohammed bin Abdulla bin Zaher al Hinai, Governor of Musandam, Mohammed bin Ahmed al Harthi and other guests, including senior Government officials, attended the opening ceremonies.

/13104  
CSO: 4400/74

## POWER PRODUCTION INCREASES

Muscat TIMES OF OMAN in English 27 Nov 86 p 11

**[Text]** The projects included a third gas turbine installed in Rusayl Station to raise its capacity from 166 mw to 250 mw.

The Riyam Power Station was stopped and its equipment transferred to increase power production in towns and villages. The electricity production at Ghubrah was 285 mw.

The Ministry has streamlined its distribution system to cover most towns and villages in the country. It laid out 304 kms of aerial lines, underground cables of high, moderate and low tension. In addition to this 259 transformers of different sizes were installed.

Electricity was supplied from power stations in the Capital to some wilayats. Generators supplying these wilayats with electricity were moved to other wilayats that were in need.

The Ministry supplied electricity to 9,553 new subscribers during 1985 thus bringing the total number of consumers to 65,570.

The distribution of electricity rose to 1,759,616 mw hour in 1985 from 1,430,934 mw per hour in 1984. This included 37,298 mw per hour distributed to wilayats.

### Southern Region

The production of electricity rose to 82,000 mw per hour in 1985 from 76,050 mw per hour in 1984. An additional generation unit was installed in Raysut Station and it began operation on August 26, 1985.

The production from the Salalah Power Station was 41,500 mw. Raysut 37,200 mw, Mirbat 2,500 mw, Saddah

0.300 mw in January 1986.

The Ministry laid out 82 kms of high, moderate and low tension aerial lines and ground cables in the Southern Region.

Fifty-three transformers of different sizes and capacity were installed. Electricity was supplied to 1,731 new subscribers bringing the total numbers of subscribers to 18,222.

### Development of Resource

The Ministry cancelled the Quryat Power Station as the area was supplied from the Capital. One of the three generators of the station was moved to the Izki station.

Five generators from the revoked Riyam Station were installed at Nizwa, Adam, Ibri, Rustaq and Suwaiq stations. An additional generator was bought and installed in each of the Al Mudeireb and Khaboura stations.

A generator from Sumail Power Station cancelled in 1984 was removed to Bahla Station. The power production rose to 159,060 mw per hour in 1985 from 117,454 mw per hour in 1984.

Two hundred and forty one kms of high moderate and low tension aerial lines and underground cables were laid out by the Ministry in the Interior. 207 transformers of different sizes and capacity were installed.

Electricity was supplied to 11,551 new subscribers bringing the total number of subscribers to 67,632.

The distribution of power rose to 404,558 mw per hour in 1985 compared to 284,890 per hour in 1984.

/13104  
CSO: 4400/74

OMAN

BRIEFS

COPPER DEPOSITS DISCOVERED--An official source at the Ministry of Petroleum and Minerals has said that more copper deposits were recently discovered in the Sultanate. The source told the Arabic-language daily "OMAN" that the new discoveries will increase the Sultanate's reserves of the ore and consequently prolong the lifespan of the copper mining projects. The source also pointed out that gold, silver and chlorine deposits were pinpointed. [Text] [Muscat TIMES OF OMAN in English 27 Nov 86 p 1] /13104

CSO: 4400/74

SUCCESS OF INVESTMENT COUNCIL DISCUSSED

Riyadh AL-YAMAMAH in Arabic 22 Oct 86 pp 36-37

[Cairo: Article by AL-YAMAMAH correspondent: ; "The Saudi Investment Council in Egypt: The Opening of the Portfolio of the Arab Option"]

[Text] The success realized by the council that met last week in Egypt under the slogan, "Saudi Investment Opportunities in Egypt" may have encouraged the Egyptian administration to open once more the "Arab investment in Egypt portfolio," whose cards had been thrown on the table of the Egyptian political tendencies at the end of the late President Sadat's regime.

The Egyptians are now busy preparing for a series of similar councils with businessmen in all the rest of the Arab countries in general, and the Gulf countries in particular, after the affirmations the Saudis presented and the impressive agreement the Egyptian administration gave to the requests of the Saudi businessmen at the investment council table.

So that matters are set out in their proper perspective, this council for Saudi investment opportunities came at an extremely critical time for the Egyptian administration, since it has become clear that the hopes and aspirations that were hung on the peg of American aid and on the participation of the international monetary agencies including the European Common Market, the International Bank for Reconstruction and Development, and the International Monetary Fund, all these supports aimed at the Egyptian economy from its current crisis, were not considered in reality useful, at least in the short term, so that Egypt could rely on them. As for American financing, in spite of all the efforts exerted by the Egyptian administration, there are still obstacles that prevent the American response to the Egyptian monetary requests, specifically. The American administration believes it is offering a service to Egypt when it continues to pay assistance and loans to it, according to what the American administration delineates, since it is assumed as a basis for discussion that America will apply to Egypt the common base that imposes the suspension of American aid to the country that fails to pay its debts. That has not happened in the case of Egypt until now. The United States asks, in return for this service, a greater Egyptian conformity to American policies, beginning with the complete normalization of relations with Israel, with a sincere concern for carrying out bilateral relations between Arab parties and Israel. Even with regards to the military debts

owed by Egypt to the United States, that reached \$4.5-billion dollars, the agreement has not been finalized regarding the payment of its installments, because Egypt is requesting a lowering of the assumed interest rate for the military debt to 7 percent instead of the 12 and 13 percent agreed to since 1979.

As for the International Monetary Fund, it cannot be claimed that actual progress has been achieved, despite the intensive high-level Egyptian efforts. Staff members of the fund are still constantly shuttling between Egypt and New York, discussing the completion of the technical framework for the economic agreement with Egypt. It is supposed that the work on it will start with the beginning of the coming year.

The position of the International Bank for Reconstruction and Development does not differ greatly from that of the International Monetary Fund. The Egyptian Administration believes that the requests of these agencies, from the American Administration to the International Monetary Fund and the International Bank, carry real political dangers that are not only with respect to its worries about subjecting the economic stability to foreign agencies, but also due to what economic effects result from these requests that are thrown back severely on the Egyptian people who are truly suffering from the difficulties of the current economic crisis. These are effects that cannot be avoided when responding to the requests of the foreign agencies while at the same time they would be difficult for both the people and government of Egypt to bear.

From this difficult situation, because the economic crisis is in dire need of a flow of foreign funds, and in the face of the clear laxity of the United States in its economic relations with Egypt, the Egyptian administration turned to the other options, among them the Soviet Union that is now courting the Egyptian economic agencies, desirous of making its contribution and to regain its economic balance with Egypt, beginning with the factories it built, especially the steel, iron, and aluminum factories. Yet the most important of the options is the Arab option which, by virtue of geography and history, is the natural option to save the Egyptian economy.

Egypt had tried this option in the mid-seventies, more exactly after the October War. The Arab option offered financing for giant projects and brought life back to the region revived by the October War. By this we mean the region of the Suez Canal. The new cities, with their large buildings and their Arab architectural style in Suez, Ismailia, and Port Said, still confirm the participation of the Arab option and its effectiveness, since entire cities carry the names Faysal, Zayid, and the like. Even in Cairo some of the giant roads that serve the capital immortalize this Arab option. It had been possible for economic affairs in Egypt to benefit from this option, but the events of the last years of the seventies prevented the flow of Arab money into the Egyptian fabric. Yet it continued in a key way at the hands of the Egyptian workers in the Arab countries.

If the Egyptian president, Husni Mubarak, had understood the importance of Egypt's regaining its Arab tendency and its relationships with the Arab countries, and if he had perceived the dangers of continuing the rupture of that which improved the reciprocal relations with Egypt in most of the Arab countries, the economic relations might have hindered much of the achievement that Mubarak realized on the level of other relations. A basic part of that hindrance is attributable to the loss of the Arab investor's confidence in the Egyptian Administration and in the sincerity of Egyptian interest in foreign investments. Here we must recall this strange situation that occurred earlier this year when Cairo received an investment delegation from the prominent Kuwaiti investors who revealed their desire to reconstruct Sinai. The administrative complications caused the Kuwaiti delegation to return irritated and angry.

Despite the bitterness, this situation woke the Egyptian administration and sounded the danger bell loudly. It arranged for this council on Saudi investment opportunities to ensure that Egypt understood the study in all its implications. The Egyptian decision in making the Kingdom of Saudi Arabia a departure point for the economic investment relations with the Arabs is not a spontaneous decision. Rather, detailed technical studies preceded it that focused on two principles. The first of them was what the Kingdom of Saudi Arabia represents from its special regional, national, and international situation, by which is meant that the satisfaction of the Saudi businessmen is the real gateway to the satisfaction of the Arab businessmen. The second principle is the reality of the Arab investment in Egypt.

The official statistics say that the Saudi investments in Egypt are between 26 and 27 percent of the total Arab investments there. On the other hand there is a third principle that has a special importance. It is the popular and official effects caused by the gift of Saudi wheat granted by His Majesty King Fahd-Ibn-'Abd-al-'Aziz to the Egyptian people. This event turned the eyes of the Egyptians to the huge accomplishment that took place in silence among the desert dunes in the Saudi neighbor whose outcome was that Saudi Arabia realized not only self-sufficiency in wheat, one of the important strategic commodities, but also that the Kingdom has surpluses to give away or to export. The results of the last council added an important dimensions, acquainting the Egyptian people with the industrial wonder that has taken place in the Kingdom of Saudi Arabia. The Egyptian pedestrian did not know that there are more than 2,000 factories in the Kingdom of Saudi Arabia, 500 of which are factories capable of comprehensive manufacturing. From here began the new starting point that Egypt strives for regarding the Kingdom of Saudi Arabia. It is the possibility of Saudi investment in the field of light and heavy industry.

This is what called the Egyptian Administration to quickly respond to the request posed by the Saudi investors around the conference tables in a loud voice and in a spirit of friendship and brotherhood. It began with the request to facilitate movement of equipment now stored in Saudi Arabia to Egypt. It was what Egypt agreed to immediately, so that the equipment would be a share in kind, added to the monetary share of the investor. Egypt

agreed at the table with the Saudi request concerning the necessity of unifying the exchange rate with the dollar. It is known that recently Egypt had five prices for the dollar, four of them official prices, and the fifth the free exchange rate called the black market. After the last economic procedures the dollar had three prices, two of them basic prices of 80 and 136 piasters. The third price is free, quoted at between 180 and 190 piasters. This is in addition to many adjustments that Egypt announced to the investors that it was ready to immediately carry out, by setting up a chamber of operations to serve the investors, in which would be found all the special equipment of investment operations and its legislations to economize the time and effort of the investor.

In that way this Saudi council has become an outstanding source in the field of the current Egyptian economic work. A belief prevails that it opened once more the Arab investment portfolio in Egypt, so that on its pages Egyptian and Saudi hands join as a beginning, then Kuwaiti hands in a few days, and after them the rest of the Arab Gulf hands. The Egyptians agree that the desire of 40 prominent Saudi businessmen to attend a council on Saudi investment opportunities reflects a sincere concern on the part of the Saudis to share in Egyptian investment, while the desire of four Egyptian ministers responsible for the investment and the economy sectors to set up an open dialogue with the Saudi businessmen, confirms the sincerity of the Egyptian administration in its current Arab tendency.

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## SYRIA

### WATER RIGHTS ISSUES WITH JORDAN SURVEYED

London AL-DUSTUR in Arabic 3 Nov 86 pp 14-15

[Article by Khayri Ghurrah; date and place not specified]

[Text] A silent crisis has beset the course of Jordanian-Syrian relations in recent weeks due to the Syrian authorities' undertaking to build an enormous dam on the Yarmuk River and declaring their desire to build another one of equal size in the near future. If completed, these dams will enable Syria to obtain a significant share of the Yarmuk's waters and severely affect Jordan's irrigation resources, not to mention interfering with Jordan's plans for agricultural development.

The Jordanians have not yet protested Syria's action, but AL-DUSTUR learned from reliable sources that a Jordanian government delegation had a series of talks in Damascus with Syrian officials to inform them of Jordan's willingness to reach a compromise resolution of the crisis. It will require dividing in half the waters that Syria wants. An agreement on the dispute has not been reached.

### Israel's Silence

Surprisingly, the Israeli government, which has been very closely monitoring these developments, affirmed, according to press reports, that "it will not interfere as long as it suffers no harm from Syria's action," despite the severity of the crisis recently affecting Israel's water resources. It is also generally known that the Zionist entity receives one-tenth of the Yarmuk's waters, i.e., about 50 million cubic meters a year, in accordance with the Johnston plan devised by the U.S. State Department in the 1950's. Building the proposed dams will result in Syria's obtaining 170 million cubic meters of Yarmuk water in addition to its official share authorized by the American plan. This quantity is sufficient to irrigate about 1/2 million additional dunams in Syria, an area almost as large as the Negev. It is interesting to note that none of the Israeli governments to date ever hesitated to issue statements concerning the need to irrigate the Negev in order to reclaim and settle it with Jewish immigrants. How then is Israeli silence on the recent Syrian action to be explained?

Observers of recent regional diplomatic and military developments believe the Israeli government concentrated since last September on massing its troops on the Lebanese borders at the time when the Syrians began to build the dams.

It is attempting thereby to achieve one of the main goals set by the Zionist leaders for Lebanon since the 1950's and reflected in gaining possession of Lebanon's water resources, specifically the Litani and Hasbani waters, by exploiting the security factor. This in effect is the basis of Arab and Western analyses of the Israeli military mobilization, especially since it coincided with the appearance in the Zionist entity of signs of a threatening severe water crisis occurring for the first time in its history. Therefore, the observers do not think it improbable that the present Israeli silence on the Syrian action will be accompanied by Syrian silence in the future on Israeli intentions regarding the sources of the Lebanese waters.

The initial signs of danger in the Zionist entity appeared early last September after Tzimah Yashi, chairman of the Israeli Water Commission, issued special orders to halt the pumping of water out of the Sea of Galilee, the main water reserve in the Zionist entity. This followed a drop in the water level from the "red line" amounting to 211.9 meters (the Sea of Galilee red line is 212 meters). This development resulted in a 40 percent shrinkage of the quantity of water usually supplied the agricultural region in the Galilee area, an indication of one of the danger points arising from the crisis in view of the significant Israeli reliance on agriculture.

The severity of the crisis was one of the subjects discussed by the Israeli government at its weekly meeting in mid-September 1985. It subsequently decided to entrust the Mekorot Agricultural Company with responsibility for supervising the distribution of water to the local councils and settlements. It even decided to appoint a special committee to determine why the municipalities of Haifa, Safad, and Petah Tikva consume more than their allotted share of water contrary to the instructions of the Israeli Water Commission.

#### Water Wars

However, the matter that the official Israeli circles did not go into, one that concerns the background and eventual effect of the crisis, is clearly revealed in two studies done by a number of American experts. The first was published by Professor Frederick Frye and Professor Thomas Neuf in the monthly journal of the American Academy of Political and Social Sciences. In it they assert that when all the proposed solutions to the water problem fail, the drop in the quantity of water is likely to result in armed confrontation between the states situated along the main rivers in the region, especially since the balance of Israeli consumption, which now amounts to 1750 million cubic meters of water a year, will increase markedly in the next 2 years, and by the end of this century will total 2,500 cubic meters a year.

Frye and Neuf believe that the Jordan River "with its flow of 1.85 billion cubic meters of water a year will be one of the future causes of dispute over water sources in the region. Of these, 1.4 billion can be exploited, an amount twice that which Israel can obtain from other sources. It is also three times the amount consumed annually by Jordan. However, the Jordan

supplies Israel with 30 percent of its annual needs since it obtains 40 percent from sources in the West Bank and the remainder from desalinization, rainwater, and other sources."

The other study was done by a team from the Center for Middle Eastern Studies of the University of Pennsylvania on "The Water Crisis in Israel." It notes that "if the levels of consumption continue at the present rate, no water will be available within 10 years owing to Israel's inability to limit the role of agriculture in its economic structure and the reliance of immigrant settlement on agriculture. The American investigator Leslie Schmidt, head of the research section of the American Institute for Training Services in the Middle East, confirmed the substance of the work done by the University of Pennsylvania team. Schmidt had previously participated in an international seminar on "Israel and Arab Waters" held in Jordan in March 1984. She said that Israel exhausted most of its water resources since 1979 and is now facing a serious water deficit that is expected to amount to about 500 million cubic meters by 1990.

#### Historical Cravings

The important thing is that the deficit occurred despite the Zionist entity's seizure of the West Bank and the Golan Heights and the monopolization of their water sources, not to mention digging a canal at the Banat Ya'qub Bridge across the Jordan River, employing advanced irrigation technology like the overhead sprinkling and drip methods and using treated sewage water for agricultural and industrial purposes. Consequently, the only source available to officials of the Zionist entity for resolving the crisis is in the north, in southern Lebanon.

In fact, as mentioned above, Zionist plans in this regard date to the early 1950's. This can be seen clearly and in detail in the following excerpts from the "Diary" of Moshe Sharett, Israel's first foreign minister:

"Wednesday, 28 October 1953, I met with Eric Johnston, special American envoy of President Eisenhower. As soon as the meeting began, Johnston asserted that his mission was to clarify the connection of the countries concerned with the idea of settling the water problem in the Ghawr region of Jordan in accordance with the American (Clapp Plan) to which the United States is not committed, and with the possibility of changing or revising it. (The Clapp Plan) stipulates that the Jordan River basin is to be considered a single water region regardless of the boundaries of the adjacent states. The plan specifies 936,000 dunams for irrigation: 416,000 in Israel, 490,000 in Jordan, and 30,000 in Syria. The quantity of water set aside annually totals 1,213 million cubic meters: 394,000, 774,000, and 45 million cubic meters for Israeli, Jordanian, and Syrian consumption, respectively [as published]. Johnston stated that there was no need for direct contact between the states concerned, that it was preferable to set up a central agency, American or international, to obtain the agreement of the parties concerned to keep in touch with each state separately in order to work to implement the plan. He added that the first objective is to fix the quantity of water needed by each state.

"I then told him that the plan applied to Israel alone because Jordan would get more water than it required. He agreed with my reply, but justified his position on the grounds that Jordan needed to settle refugees. He added that Syria too would forego the Yarmuk waters in the interest of its neighbors.

"After this I took up the (Clapp Plan), saying that we studied it in depth and found that it did not fully deal with two main issues--water sources and areas to be irrigated. I pointed out the need to irrigate the coastal region and the Negev as well as our concern that the Litani be included in the plan. He answered sharply, saying that we could irrigate any region we desired, but it had to be within the limits of the water specified by the plan. The Litani, in particular, is excluded from it.

"I did not agree with him on this and we argued violently. I pointed out that the Litani empties 800,000 cubic meters of water annually into the Mediterranean with no benefit to irrigation or to human beings. I asked again that the plan include the Harbani and the Litani, and Lebanon as a whole. His answer was that they had studied the matter thoroughly and concluded that it would not achieve the goal of inter-Arab cooperation if the Litani were part of the plan, which involves only the Ghawr in Jordan and nothing else. I replied that as long as there was no regional solution, we felt free to continue to carry out our own plans, that is, turn toward the Litani."

#### Threats Are Renewed

Since then none of the subsequent Israeli governments has ignored this. In 1954 the Zionist entity announced the (Koton Plan) to utilize 400 million cubic meters of Litani water. After the first Arab summit passed a resolution urging the diversion of the Banyas River to Syrian territory and the Hasbani River to Lebanese territory and the division of the Yarmuk between Syria and Jordan, Israeli threats against Lebanon intensified when Levi Eshkol announced that "plans to divert these waters would cost Lebanon its independence." Eshkol's threat was repeated by Moshe Dayan in March 1965 and again by Yitzhaq Rabin in July 1967. Before the June 1967 war Prime Minister Eshkol said: "Thirsty Israel cannot stand with arms folded while 1/2 billion cubic meters of Litani water flow uselessly into the sea. Our canals are ready to receive the Litani water."

The Israeli authorities tried to achieve their goal of stealing the Litani water during the invasion of Lebanon; indeed, this was one of their objectives. However, developments unfavorable to Israeli calculations forced the government to withdraw its forces and keep some of them within the so-called "security zone" alongside the "Army of Southern Lebanon" led by General Antoine Lahd. During the invasion the Israeli forces encircled the region opposite the source of the Wazani with barbed wire, preventing the international observers from getting there.

There is nothing to suggest that the Israeli officials have given up their craving for Lebanese waters, for the Israeli information media reported that

the Israeli hydraulic engineering company has decided to use the Tapline, now employed to carry Saudi oil through the Golan to the Mediterranean (about 50 km long), to carry the water of the Hasbani River. The Lebanese Minister of Interior's reports indicate that the Israeli engineering service intends to dig a ditch from the vicinity of Dayr Maymas (17 km long) to the Galilee in order to steal the Litani's water.

It is interesting to note that Moshe Sharett's "Dairy" also mentioned the Israeli plans to find a "puppet leader" in Lebanon to facilitate their implementations. Consequently, first Sa'd Haddad and then Antoine Lahd are to form a bridge to the many Israeli plans and goals in Lebanon. This explains, in part, why all the top Israeli officials from Shimon Perez and Yitzhaq Rabin to Yitzhaq Shamir and Ariel Sharon agreed to refuse to pull out all the Israeli forces in Lebanon or to abandon support for the "Army of Southern Lebanon."

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

AMBASSADOR REINFORCES SOVIET SUPPORT FOR REGIME

Aden AL-THAWRI in Arabic 18 Oct 86 p 10

[Interview with Soviet Ambassador Albert Richkov: "Soviet-Yemeni Cooperation Is Strategic in Character"]

[Text] On the eve of the 23rd anniversary of the 14 October revolution, AL-THAWRI newspaper held an interview with Comrade Albert Richkov, nominated member of the central committee of the Soviet Communist Party and the Union of Soviet Socialist Republics' ambassador plenipotentiary and extraordinary to Aden. In his conversation he dealt with the positions of the Soviet Communist Party and the friendly Soviet government and people regarding the 14 October revolution, the advanced relations linking the two parties and peoples and the Soviet Union's evaluation of the current circumstances in Democratic Yemen following the victory over the bloody 13 January conspiracy.

Herewith is the text of the interview:

**AL-THAWRI:** The Soviet Communist Party, the Soviet government and the friendly Soviet people stood alongside our revolution since it was launched on 14 October 1963. Is it possible to give us a picture of these positions?

**Albert Richkov:** It is well known that the people of South Yemen acquired national independence through armed struggle against the foreign colonialists and their feudal aides, since the 14 October revolution, which was launched from the mountains of Radfan, represented the most important stage in the history of the struggle. This revolution met not only with a distant echo in the world but also immediately with the support of all progressive and freedom-loving forces all over the world.

On 11 December 1963, the United Nations general assembly, in its 28th session, adopted a resolution claiming that the people of South Yemen had the right to self-determination, freedom and independence and demanding the end to repression and degradation directed against the nationalists of South Yemen. The Soviet Union was not alone among those who voted for this resolution; rather, it was one of those who took the initiative toward it.

The Soviet Union has always been one of the countries which have offered decisive aid and support to the nationalists of South Yemen in their

struggle on behalf of independence, proceeding from the principles of internationalist solidarity. Nonetheless, I want to underline my statement by saying that we offered aid to South Yemen not only in the context of international fields and organizations but also through Soviet social organizations which offered material aid and political support to South Yemen. Above and beyond that, the Soviet Union's media constantly followed up on the struggle and unmasked the foreign occupation forces' maneuvers aimed at preserving their position in South Yemen.

Therefore, it is natural that the Soviet Union on the day following the departure of the last foreign soldier from the territory of South Yemen should have recognized the sovereignty of the new independent country.

Three days after that, that is, on 3 December 1967, it established thorough-going diplomatic relations with it.

It is worth pointing out that the first ship to enter the port of Aden following South Yemen's declaration of independence was a Soviet one.

My response to your question might not be complete, since I did not mention that the Soviet Union today is continuing to provide internationalist aid of various forms in all areas to Democratic Yemen. I am not afraid to repeat that the Communist Party of the Soviet Union, the Soviet government and the Soviet people offered their aid to your people at the inception of their struggle for freedom and at other stages of their struggle.

AL-THAWRI: We would like you to shed light on the relations that exist between the Yemeni Socialist Party and the Communist Party of the Soviet Union and between the governments of the two friendly countries, and the extent of the development of these relations in the current stage.

Albert Richkov: The 14 October revolution laid a start for the collapse of English dominance which had prevailed for many years in the southern Arabian Peninsula and was distinguished by the advent of the spirit of a new life, a spirit which changed the destiny of the people of South Yemen and their country for the better. The People's Democratic Republic of Yemen, after its founding and establishment, proceeded toward the realization of radical political, social and economic transformations on behalf of the toiling masses of the people and it joined the group of liberated countries which had chosen independent development and the implantation of friendship and cooperation with the socialist countries and the Soviet Union.

It is well known that the Yemeni Socialist Party's program declares clearly that one of the main tasks is to strengthen the bonds of combative solidarity with the countries of the socialist family, foremost among them the Soviet Union.

In its turn, it is cited most clearly in the Soviet communists' program that the Communist Party of the Soviet Union is extremely concerned with solidarity and economic and political cooperation with countries of a socialist orientation, and the People's Democratic Republic of Yemen specifically constitutes one of these countries. In the Communist Party of the Soviet

Union's program it is also stated "The Soviet Union, in accordance with its resources, has offered and will offer aid to peoples which are proceeding along this road in building the economy and culture, training domestic personnel and raising defense capability and in other areas."

Thus the guidelines of the programs of the Communist Party of the Soviet Union and the Yemeni Socialist Party have defined the future of the development of Soviet-South Yemeni cooperation in all areas.

It is worth considering that this cooperation constitutes an advanced, ongoing process. Today, the struggle for the sake of peace, a halt to the arms race, the prevention of all threats of nuclear extermination of everything that lives on the planet earth and the establishment of just economic relations among all countries acquires exceptional importance for all the peoples of the world, whatever the choice of their paths of development might be. In this struggle, we Soviets stand alongside the people of Democratic Yemen and their vanguard the Yemeni Socialist Party. In the United Nations, in the summit conferences of the nonaligned countries and in daily activity throughout the world firm support for the program of the peace loving Soviet Union is always apparent. We can offer brilliant proof of that platform, which is the total agreement which is currently being expressed in Democratic Yemen over the peaceful Soviet initiatives clearly and decisively propounded by Comrade Mikhail Gorbachev, the secretary general of the central committee of the Soviet Communist Party, before Ronald Reagan, the president of the United States, during the meeting which took place between them on 11-12 October of this year in the city of Reykjavik.

As I refer to the common issues the Soviet Union and Democratic Yemen are resolving in the international context, it is out of the question that we should not mention your country's important contribution to the Arab countries' struggle against the Israeli aggression encouraged by the United States, on behalf of a just full settlement in the Middle East.

It is well known that in October 1979 a treaty of friendship and cooperation was signed by our two countries, which constituted a firm legal basis for deepening and expanding relations between the two countries in various areas, including the agreements signed previously. The signing of this treaty was a logical result of the enhanced friendship and multifaceted cooperation between the two countries. The treaty stipulates that in Soviet-Yemeni relations political relations play a decisive role and constitute the general atmosphere regarding the various forms of contacts between the two countries. The important element in these relations is regular high-level meetings in the course of which common policy vis-a-vis urgent international problems is set out and important problems of bilateral cooperation are resolved.

Relations between the Soviet Communist Party and the Yemen Socialist Party are successfully developing on the basis of the two parties' plans for cooperation which stipulate the regular exchange of party delegations in the desire for joint study of expertise in organizational party activity and party supervision, economic construction, political educational action in the milieu of the masses and aid for the development of contacts between

union, youth and women's organizations and other social organizations, and between the societies of friendship with peoples and the peace and solidarity committees.

I believe that enhanced economic relations between our two countries are of considerable importance.

This August Comrade 'Ali Salim al-Bid, secretary general of the central committee of the Yemeni Socialist Party, also correctly pointed out, in the course of a discussion he held with the magazine FALASTIN AL-DIMUQRATIYAH, "The economic front still is and will remain a major area for the activity of the forces of counterrevolution which are trying to strangle the progressive regime by means of economic boycott, after all the attempts at military intervention have failed."

Economic cooperation between the Soviet Union and South Yemen began in February 1969. At the present time it is taking place in various areas. As you yourselves have asserted, this cooperation is very fruitful. Brilliant proof of this cooperation is the submission of a number of projects on the occasion of the 23rd anniversary of the 14 October revolution, such as the Yemeni Socialist Party central committee building, the second stage of the al-Sadaqah obstetrics and gynecology hospital in al-Shaykh 'Uthman, the biggest hospital in the Middle East, the refrigerator and fish processing plant in the fishing port in Aden, the ongoing construction of the thermal electric plant and the Aden desalination complex and the other projects which are of extreme importance for the republic.

We have given and are giving great attention to other aspects of economic cooperation well known to Yemeni social circles, and therefore I do not want to speak about such elements in our relations, such as cooperation in the areas of culture and science, the accreditation of domestic personnel and other areas. Rather, I would just like to point out that Soviet-Yemeni cooperation has a strategic character which our Yemeni friends have confirmed more than once.

AL-THAWRI: You have referred to the counterrevolutionary forces' intrigues against Democratic Yemen. How do you evaluate the current circumstances in which our country is developing?

Albert Richkov: The tragic January events caused deep anxiety in the Soviet Union concerning the fate of Democratic Yemen's progressive development. At the same time, we have been confident that the people of Democratic Yemen and the Yemeni Socialist Party would find the strength within themselves to overcome the critical situation, preserve the revolution's gains and not give enemies the opportunity to interfere in the internal affairs of the country.

Today, all Democratic Yemen's friends point out that the situation in the republic has resumed its natural course. The general amnesty decree announced by the leadership of the republic and the other measures taken on strengthening and reviving the party organizations and agencies of people's power and continuing the progressive social and economic changes will help in the attainment of national reconciliation.

The basis of the Soviet Union's position of principle regarding the events in Democratic Yemen is solidarity with the progressive forces in the country and non-intervention in internal affairs.

The Yemeni Socialist Party's platform, which is aimed at preserving the progressive regime in the country, strengthening it and continuing the peace-loving policy and cooperation based on equal rights with neighboring countries, the other countries of the world and before everything else with the Arab countries meets with understanding and support on our part. That was expressed in a clear, manifest form in the meeting which took place during our party's 27th conference, in the central committee of the Soviet Communist Party, with the delegation of the Yemeni Socialist Party under the chairmanship of Comrade 'Ali Salim al-Bid, secretary general of the central committee.

We are aware of the difficulties Democratic Yemen had to transcend in order to eliminate the effects of the tragic January events. On that basis, the Soviet Union will offer Democratic Yemen the necessary aid and support in the future as well.

In conclusion of this conversation of ours, I would like to wish the Yemeni Socialist Party, the higher people's council and the government and people of Democratic Yemen every success in the struggle on behalf of the country's welfare and happiness and the construction of the new society and on behalf of the execution of the goals of the 14 October revolution.

I would like to express my assurance that amiable Soviet-Yemeni relations based on the firm foundation of the friendship and cooperation treaty will develop and become strengthened with success in the future and will serve the interests of our two peoples and the cause of peace and international security.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

GERMAN AMBASSADOR OFFERS GREETINGS ON NATIONAL DAY

Aden AL-THAWRI in Arabic 18 Oct 86 p 11

[Interview with East German Ambassador Freimut Seidel: "I Wish the Yemeni People Further Successes under the Leadership of Their Party"]

[Text] Comrade Freimut Seidel, the German Democratic Republic's ambassador extraordinary and plenipotentiary to Aden, talked with AL-THAWRI newspaper on the occasion of the 23rd anniversary of the 14 October revolution. Here-with is the text of the interview:

The month of October is considered one rich in traditions, be they those of the people of the German Democratic Republic or the friendly people of the People's Democratic Republic of Yemen. This month we are jointly celebrating the 37th anniversary of the establishment of the German Democratic Republic, in its capacity as the first socialist country on German soil, and also, on 14 October, the 23rd anniversary of the outbreak of armed revolutionary struggle against the British colonialists -- a struggle which led to triumph, the laying of the cornerstone of new independent development in the southern Arabian Peninsula.

The withdrawal of the colonial authorities and the assumption of rule by the Yemeni national forces paved the way for the subjugation of economic and social backwardness.

The corrective movement which occurred on 22 June 1969 played an important role in the history of the People's Democratic Republic of Yemen and in relations with the socialist countries as well. The country ventured on the long course aimed at the elimination of property relations and exploitation which had characterized life for centuries. Proceeding from the country's circumstances, the level of the productive forces and the masses' awareness, the country under the leadership of the Yemeni Socialist Party, which was established in 1978, is working to establish the circumstances for independent economic development, although this process is proceeding gradually, in view of the difficulty conditions inherited from colonialism. Our common belief constitutes a guide which is to be followed in accordance with the objective conditions of the country, and thus the foundations are laid for determining the tangible missions that exist at the present stage and for

executing them. These tasks cannot be resolved easily in the context of the current circumstances in which setbacks or irksome attempts on the part of world imperialism have occurred.

In addition, the party and government leadership in the People's Democratic Republic of Yemen have succeeded, in the course of the 9 months since the painful January events, in normalizing the situation in the country, since security and stability have become strengthened and most of the material losses and negative effects on the leadership role of the party, the economy and national unity have been overcome, although the loss of many party personnel is to be considered a great burden.

We are respectfully monitoring the firm policy aimed at guaranteeing peace, good neighborliness and the principles of peaceful coexistence which the Yemeni Socialist Party is pursuing. We also favorably recall the effective work the People's Democratic Republic of Yemen performed at the eighth summit conference of the heads of the countries and governments of the nonaligned movement. In assertion of the firm struggle for the sake of the rights of the developing countries and against plunder and tutelage from outside and against threats of war and the imposition of the threat of world war, the representative of the People's Democratic Republic of Yemen was elected chairman of the political committee in this anti-imperialist movement.

The firm ties of friendship and the policy of solidarity with all forces struggling on behalf of peace, progress and national and social liberation are considered an integral part of the policy of the German Democratic Republic. On 10 July 1969, our two countries' representatives agreed to the establishment of diplomatic relations at the ambassadors' level. This step gives important impetus to our bilateral relations, and the firm cooperation replete with trust which exists between the United German Socialist Party and the Yemeni Socialist Party and between the German Democratic Republic and the People's Democratic Republic, which is founded on the treaty of friendship and cooperation that Comrades Erich Honecker and 'Abd-al-Fattah Isma'il signed in 1979 and Comrade Erich Honecker, secretary general of the united German Socialist Party, and comrade 'Ali Salim al-Bid, secretary general of the Yemeni Socialist Party, affirmed at their meeting during the 11th conference of the United German Socialist Party in Berlin, constitutes brilliant proof of this policy.

There are many examples in the People's Democratic Republic of Yemen which illustrate the execution of this treaty.

Our republic has sent numerous delegations to the People's Democratic Republic of Yemen and the German Democratic Republic's representatives also took part in the conferences of the youth federation, the women's federation, the journalists' federation and the peasants' federation after a party delegation came to Aden in the spring. Recently, in commemoration of 14 October, Dr Yasin Sa'id Nu'man, member of the political bureau of the central committee of the Yemeni Socialist Party and prime minister, inaugurated in striking fashion the second bridge in Aden, which the Democratic German company built. On the basis of the long-term agreements, the execution of other

projects, such as construction of the tunnel to the Gold Coast Hotel and the construction of the third bridge in Aden, will take place in the coming years. In addition, the United German Socialist Party participated with the other parties of the countries of the socialist system in construction of the new Yemeni Socialist Party central committee building, which constitutes a gift of solidarity from these parties and was opened on 14 October.

In addition to that, there is a large number of specialized experts from the German Democratic Republic in the People's Democratic Republic of Yemen who are working in the areas of health, education and higher education, in the institute of scientific socialism and in the Ministries of Agriculture and Industry and are offering their expertise on behalf of construction of the domestic economy and the democratic system of government. Also, a large number of young Yemenis were sent this year for education and accreditation in various areas in the German Democratic Republic.

Therefore it is natural that the citizens of the German Democratic Republic who work as construction workers, lecturers, experts, advisors, doctors and diplomats in the People's Democratic Republic of Yemen should be celebrating the 23rd annual anniversary of the Yemeni 14 October revolution with their Yemeni colleagues.

Permit me to convey to you in the name of all the citizens of the German Democratic Republic working in the People's Democratic Republic of Yemen the best of greetings and salutations to the leadership of the party and the government and the people of the People's Democratic Republic of Yemen. I wish the Yemeni people, under the leadership of the Yemeni Socialist Party, further successes, emphasizing that the German Democratic Republic in the future will also stand alongside the People's Democratic Republic of Yemen and the development of relations of cooperation in accordance with the agreements signed, as stated in the telegram of greetings which Comrade Erich Honecker, secretary general of the central committee of the United German Socialist Party and chairman of the council of state in the German Democratic Republic, sent to Comrades 'Ali Salim al-Bid, secretary general of the central committee of the Yemeni Socialist Party, and Haydar Abu Bakr al-Attas, chairman of the board of the presidency of the higher people's council in the People's Democratic Republic of Yemen.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

LABOR CONFERENCE CONCLUDES MEETINGS

Aden 14 UKTUBAR in Arabic 23 Oct 86 pp 1, 3

[Article: "The Election of New Federation Leadership: The Party Is Betting on Our Working Class To Advance Our Economy"]

[Excerpt] Comrade 'Ali Salim al-Bid, secretary general of the central committee of the Yemeni Socialist Party, conveyed the greetings of the central committee and its political bureau to all our country's workers and toilers for the success of the activities of the fifth general conference of the General Federation of Republican Workers' Unions, stressing that our party attaches great hopes to our country's workers in uplifting our economic conditions in a manner which will guarantee an increase in our people's material and spiritual bounties.

In his meeting yesterday afternoon with the conference delegates directly following the conclusion of its activities, he added that real success did not lie in the conclusion of the activities of the conference, the attainment of resolutions and recommendations and the election of new leadership to the union movement in our country. Rather, it lay in the manner of application of these resolutions and the unions' pursuit of their effective role among workers' circles, encouraging them to carry out the party's resolutions in an innovative, creative way, and the struggle against all forms of evil diseases which are still flourishing in our society, such as patronage, bribery and embezzlement, pointing out in this regard that it was not wrong for us to make this statement -- rather, what was wrong was that we should be quiet about it in the context of the leadership of a party which sought guidance in the theory of scientific socialism, the theory of the working class.

Our comrade the secretary general, in his meeting, addressed himself to a group of urgent issues facing the unions in the coming stage, headed by the execution of the third 5-year economic and social development plan program, as well as the raising of awareness in the face of the attempts on the part of class forces hostile to our regime and our socialist orientation which by various ways and means are trying to come into our society, exploiting our economic situation as an approach toward casting doubts about the validity of our options and our progressive platform.

In this regard, the comrade secretary general warned these hostile forces against giving thought to this consideration, stressing that the Yemeni Socialist Party has bet and is betting on our working class to advance our economy, that our working class today is stronger than any conspiracy and intrigue and that the party is the source of its strength and might.

The comrade secretary general summoned the workers and their unions to effective participation in making the second session of elections to the higher people's assembly and the fourth session of the local people's assemblies a success, since these elections are a referendum on the party's program.

He warned against the pursuit of non-democratic methods in the elections, stressing that the elections would proceed in a free, democratic manner with no tutelage or anyone defending anyone. He called on the new union movement leadership to encourage the workers and laborers to read the laws and statutes in effect in the country for the sake of their proper application.

A reception was also held yesterday afternoon for the members of the central council and the general secretariat.

#### Conclusion of the Activities of the Conference

The conference concluded its activities yesterday evening in the presence of Comrade Salim Salih Muhammad, the assistant secretary general, the secretary of the central committee, the comrade members of the political bureau and the central committee, the ministers, the fraternal and friendly labor delegations, the representatives of the national liberation movements accredited to Aden and the heads of the diplomatic missions to Aden.

At the concluding session, the results of the selection of members and nominated members of the federation's central committee and the members of the federation's financial oversight and inspection committee were read out. The formation of a council of 65 basic members and 12 candidates and an oversight and inspection committee of 11 members was declared, and the results of the first central council session were declared with the election of the secretariat general of nine members, as follows:

1, Rajih Salih Naji, secretary general. 2, 'Abd-al-Karim Nasir, secretary of the central council responsible for the organizational department. 3, Muhammad 'Abdallah al-Nahari, secretary of industrial security and vocational safety. 4, Faysal Muhammad 'Abdallah, secretary of foreign relations. 5, 'Abdallah Qasim 'Ali, secretary of the financial and administrative department. 6, 'Abduh Fari' Nu'man, secretary of the ideological department. 7, Dr Khalid Rajih Shaykh, secretary of the economic department. 8, Sa'id Muhammad 'Abd-al-Warith, deputy secretary of the ideological department. 9, Murad 'Ali Isma'il, chairman of the financial oversight and inspection committee.

The names of the central financial oversight and inspection committee members were announced, as follows:

1, Murad 'Ali Isma'il, chairman. 2, Fu'ad 'Ali Muhammad, secretary. 3. 'Umar 'Ali Muhammad. 4. 'Abd-al-Wali Sa'id. 5, Ma'tuq Khubani. 6, Salih Muhammad

Husayn al-Nakhibi. 7, Muhammad Nasr al-Bakri. 8, Mahdi 'Awad 'Umar. 9, Muhammad Salih Bajash. 10, Salim Sa'id Nasir. 11, Salim Muhammad Ba Fatim.

After that, the military organizations' greetings were offered to the conference with the entry of a symbolic group bearing the flags of the party and the country, in the midst of a deafening tumult which followed the greetings of the central committee of our Yemeni Socialist Party to the conference, urging the workers and toilers to exert more efforts, show concern and manifest preservation of gains and achievements and work to transcend the effects the black 13 January conspiracy left and reiterating the assertion that the Yemeni Socialist Party would offer all forms of support for execution of the conference's resolutions.

The statement of the families of the martyrs was made, in which the unions were called on to proceed along the steps of the martyrs of the revolution and the party.

Two statements were made on behalf of the international federation of Arab workers and the international federation of unions which stressed their support and solidarity with our working class' struggle for the sake of transcending all ordeals and difficulties in a manner which will help them build their new life under the leadership of the Yemeni Socialist Party.

In conclusion, Comrade Rajih Salih Naji made a statement in which he, in the name of all our country's workers and toilers, pledged to carry out the resolutions of the conference in a revolutionary, effective manner.

#### Inauguration of the Exhibition of Unions

In addition, yesterday evening Comrade Salim Salih Muhammad opened the fifth exhibition which was held on the occasion of the convening of the conference in the auditorium of the Haqqat pool in Crater.

He circulated through its various sections, listened to a detailed description of the contents of the exhibition sections and set down a statement in the ceremonial register in which he expressed the party's appreciation of the role the unions played on behalf of creating new innovations for the workers in service of the development of our society.

It is worth pointing out that the conference at its morning session yesterday completed the reading of the draft final declaration and the resolutions and recommendations which the conference ratified after observations from the delegates.

The delegates also heard the report of the contestation committee and the other letters of greetings sent to the conference and issued by it.

The delegates held a closed session in which the leadership board election process took place.

In addition, the members of the central council and the general secretariat will lay floral wreaths on the memorial to the martyrs in al-Tawahi and the grave of the martyrs of 13 January this morning.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

FOREIGN DELEGATES EXPRESS SOLIDARITY AT LABOR CONFERENCE

Aden 14 UKTUBAR in Arabic 24 Oct 86 p 7

[Article: "The Fraternal and Friendly Labor Delegations Express Their Stands in Support of the Yemeni Working Class' Struggles"]

[Text] The statements the delegations participating in the activities of ANID's fifth general conference made have expressed firm solidarity and extreme appreciation for our country's policy in the international arena.

The comrade chairman of the delegation of Soviet unions made a statement in which he referred to the solid union relationship between the central committee of Soviet unions and the General Federation of Republican Workers' Unions in our country, which the comradely relationship between the Soviet Communist Party and the Yemeni Socialist Party is helping to implant and enhance. He articulated the Soviet council of unions' support for strengthening fraternal relations with the unions of Democratic Yemen and expressing the warm solidarity of the Soviet Union's toilers with our people's struggle on behalf of building a society of social justice, with the welfare for workers, which is founded on the basis of the principles of scientific socialism, that that entails.

In the statement, the head of the Soviet delegation reviewed the Yemeni people's combative struggles for the sake of defending the gains of the revolution in our country. The delegation expressed its principled solidarity with our country concerning the elimination of the effects of the events of 13 January as soon as possible, and praised our country's efforts in the endeavor to develop good neighborly relations with the countries of the region.

The Soviet delegation expressed its country's readiness to offer all support and aid to our country and the General Federation of Republican Workers' Unions.

The Cuban delegation expressed its happiness at participating in the activities of the conference in our country and stated that the two countries were linked by warm comradely relations through the strengthening of their mutual struggle against imperialism and against all forms of tyranny and arbitrariness. It added that the process of the great transformations in the social, political and economic areas began with the achievements which were realized

after national independence, specifically after the corrective step on 22 June. Concerning our country's role on the international stage, it said:

"We fully realize that Democratic Yemen's firm positions in the international context have imparted much knowledge to all revolutionary and democratic forces in the world, as has its hatred of imperialism and the reactionary forces which have tried to destroy Democratic Yemen and harm its progressive regime." It concluded its statement by saying, "We are confident that your people, workers and party will overcome all difficulties and will continue with the development of the revolutionary process in Democratic Yemen."

The delegation from People's Bulgaria expressed its presence at the conference and said that that presence manifested the traditional existing relations of friendship and cooperation between the toilers and peoples in our two countries. It added that the delegation was happy for all of our country's successes and joined with us in the difficulties our country is facing. It went on, "We know that thanks to the intent and determination of the revolutionary party in Democratic Yemen and the support of the toilers, the Yemeni people have triumphed in their difficult struggle and have continued their successful course along the road to socialism." In the name of the toilers of the People's Republic of Bulgaria, it expressed their fraternal unconditional solidarity with the struggle of the Yemeni toilers and people.

As for the Syrian delegation, Comrade Mustafa 'Isa, member of the executive committee and secretary of Arab and foreign union relations in Syria, gave a statement at the outset of which he conveyed the greetings of the workers in Syria to the delegates of the conference and expressed his deep satisfaction with the participation of Yemeni women in the establishment of the new society in our country. He also expressed high regard for the respect our country enjoys because of its support and sincere solidarity on behalf of the triumph of peace in the world and in its struggle against colonialism and imperialist domination. He said, "The Yemeni working class was in the vanguard of the ranks during the struggle against the British occupation and continued to hold the reins of the initiative in all the struggles of construction and democratic and socialist transformations which Yemeni society witnessed. In the heart of all the national and domestic struggles, Democratic Yemen called for unity and solidarity and offered many sacrifices."

The Kuwaiti delegation also spoke for the extent of the depth of the firm combative relationship which binds the workers and masses of the two fraternal Yemeni and Kuwaiti people and the permanent concern for its development and the effort to continue it. The talk also reviewed the struggle of the workers of Kuwait and their constant attempt to give concrete form to the struggle of the Arab working class and the struggle to restore the unity of the international federation of Arab workers' unions and its coherence and unity.

It also conveyed the greetings and hopes of the workers of Kuwait concerning the holding of the union conference in our country, expressing its confidence in the valuable conclusions it has produced for the sake of the realization of further successes our country is witnessing along the road to construction and against the hostile actions and intrigues of imperialism and Zionism.

The delegation of Czech unions expressed its thanks for the invitation to the Czech unions to take part in the activities of the conference and said that there was a long-standing tradition to the relations of friendship between the two Czech and Yemeni union movements. It stressed that these relations would become firmly implanted and further enhanced in the future and added that the Czech workers were attentively following the developments in our country. It said "It is well known that in spite of all complex foreign and domestic circumstances, the People's Democratic Republic of Yemen has always stood at the fore of the progressive forces in the Arab world and sought to unify them in their struggle against imperialism, Zionism, neoimperialism and reaction. We express great esteem for all of this and express our full support and solidarity with its positions."

At the end of its statement it expressed its confidence that cooperation and friendship between the two peoples and their union organization would become enhanced and develop on behalf of the workers of both friendly countries.

In its statement, the Polish delegation referred to the successes in our country's workers' activities and their union movement, which will be in the interests of the workers for the sake of peace and disarmament, and added that this conference was to be considered a great prominent event for all the union members in the People's Democratic Republic of Yemen and also constituted a great, important contribution to the whole working movement, stressing what was stated at the 11th conference held in Berlin. The statement continued, "We have jointly followed your constructive participation in the transactions of this conference and have followed with the utmost attention and desire your union activity, stressing our solidarity with you."

The Rumanian unions' statement expressed satisfaction with the successes the people of Democratic Yemen have realized and the prominent role the country's workers and toilers have played in preserving these gains and achievements, stressing the solidarity and development of the Rumanian unions' relations with the federation of unions of Democratic Yemen for the sake of just causes.

The statement of the Hungarian unions' delegation also expressed its firm confidence over the attainment by the federation's fifth general conference of results which would strengthen the role of the union movement in Democratic Yemen in assuming the tasks assigned to it in view of the development of union activity, in serving the goals of the development plans being carried out and in defending the causes of international peace and security and the deterrence of the threats of nuclear war that that entails.

The delegation of the international federation of Arab workers' unions addressed itself to the aggressions, threats and intrigues which the Arab peoples are facing as a result of the hostile acts of the hostile trinity of imperialism, Zionism and reaction, reviewing a group of tasks which lie before the working class and its union movement, in view of the effect that has in confronting the acts of aggression and working for the sake of happiness and prosperity of peoples and for the sake of peace and security.

The secretary of the world federation of unions expressed his confidence over the active role of the General Federation of Republican Workers' Unions in our country in carrying out tasks to serve the workers and masses of the

people in Democratic Yemen, asserting the development and enhancement of total principled solidarity with the Yemeni working class.

He also expressed satisfaction with the course of the conference's activities, in view of the high degree of seriousness and enthusiasm that dominated it, reflecting the workers' determination and insistence on proceeding toward the future horizons of tasks and activity of the workers and their union movement.

Comrade conference chair, dear brother participants, comrades:

I would like to send you fraternal greetings from the Ethiopian workers and our federation's central executive council to the workers in Democratic Yemen and the participants in this venerable conference, greeting the occasion of the holding of the fifth conference.

Comrades:

The relationship between the federation of workers of Ethiopia and the general federation of workers in the People's Democratic Republic of Yemen is a clear embodiment of the relationship which links our two peoples and our two countries and is founded on the basis of mutual understanding and brotherhood.

The relationship between our two countries has become strengthened and developed on the basis of the principles of proletarian internationalism, specifically after the suitable circumstances were provided which took form after the outbreak of the people's revolution in our country.

The exchange of delegations in accordance with the cooperation agreements concluded by our two federations, the federation of workers of Ethiopia and the general federation of workers in the People's Democratic Republic of Yemen, has greatly contributed to the exchange of effective expertise and the strengthening of warm relations between our two peoples.

We are confident that fraternal relations based on the foundation of common interests and mutual cooperation will develop further and further.

Finally, I would also like to express to your conference the federation of workers of Ethiopia's readiness to offer every possible support toward strengthening and consolidating your revolution and on behalf of further successes and triumph for your people.

It is a source of gladness that I express the full confidence of the federation of workers of Ethiopia and my confidence that this conference will be a success which will constitute the necessary strategy for mobilizing the powers of the workers of Democratic Yemen on the road of your rising revolution.

Long live proletarian internationalism.

Long live fraternal relations between our two peoples in Ethiopia of the revolution and Yemen of the revolution.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

INAUGURATION OF NEW PARTY CENTRAL COMMITTEE BUILDING MARKED

Aden 14 UKTUBAR in Arabic 14 Oct 86 p 4

[Article by Munda'i Diyan: "The Edifice of Friendship between Our Country and the Countries of the Socialist System"]

[Text] The building of the Yemeni Socialist Party's central committee is being inaugurated today in the midst of demonstrations of joy and our people's celebrations of the 23rd anniversary of the glorious 14 revolution, following its completion and submission as a gift from the Soviet Communist Party, the United German Socialist Party, the Hungarian Socialist Workers' Party, the Czech Communist Party and the Bulgarian Communist Party to the Yemeni Socialist Party and the people of the People's Democratic Republic of Yemen.

It is a splendid internationalist demonstration and the efforts of workers summoned by internationalist duty were joined together and the drops of sweat of Soviets, Germans, Hungarians, Czechs and Bulgarians commingled with the sweat of Yemeni workers to constitute a self-sacrificing river whose fruit was this giant building which stands proud as a symbol of friendship and solidarity in the context of work on the building.

While the building was subjected to destruction and manipulation on the part of the conspirators in their bloody, vile coup on 13 January 1986, various of our people leapt up in mass initiatives to repair this damage alongside their comrades from the socialist countries.

The building is located near the coastal strip of Badi' al-Manzar on an area of 8 hectares. The main building consists of three blocks, each of which comprises four stories, with a total area of 11,398 square meters, of which the work area occupies 8,417 square meters, since it contains a group of libraries. The building also comprises a large meeting hall and other meeting halls, a library, two cafeterias and an internal broadcasting section. The building is outfitted with all the annexes and services it requires as a modern building. It is distinguished by its beautiful architectural character and from a distance it seems like an impregnable Yemeni castle.

The Soviet Union, Democratic Germany, People's Hungary, Czechoslovakia and Bulgaria have laid a new brick in the edifice of friendship between our

country and the countries of the socialist system, a friendship of principle whose edifice is growing more expansive every day. As these communist parties are presenting this gift to our Yemeni Socialist Party on the occasion of our people's celebrations of the 23rd anniversary of the revolution, they assert the firmness and solidity of combative relations under the guidance of the principles of international solidarity.

After 3 years of sincere internationalist work and comradely relations replete with cooperation, here is the building of the Yemeni Socialist Party's central committee, lofty and constituting one of the firm, impregnable citadels of internationalist solidarity.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

SHABWAH ENJOYS STEADY ECONOMIC DEVELOPMENT

Aden 14 UKTUBAR in Arabic 3 Oct 86

[Article: "Coming From a State of Deprivation and Backwardness, Shabwah Traverses the Road Toward Development"]

[Text] As a result of a bad colonial and imperial policy, Shabwah is one of the provinces which, for a long time, remained deprived of modern facilities such as schools, hospitals, roads, water, electricity, and other public services. But thanks to the revolution and wise guidance of the Yemeni Socialist Party, the province has had many achievements which are creating a new life for its hard-working people. Based on a cursory review, we will try to give the reader an idea concerning the signs of development the province has witnessed. These signs undoubtedly prove the interest of our government and our Yemeni Socialist Party in the progress of the province within the scope of the development plans. Thus, these plans allow people to take initiatives and contribute to the making of new lives.

Service and Development Projects

During the years of the Second Economic Development Plan, Shabwah witnessed the execution of important projects which played a great role in improving all aspects of the lives of the people. This has taken place thanks to the endeavors of the Yemeni Socialist Party and the revolutionary government. The efforts of both the party and the government are aimed at raising the standard of living and lifting up the material and spiritual lives of the people. These projects encompassed various areas such as agriculture, fishery, transportation, and construction, and social services such as education, public health, commerce, food supply, housing, local government, sports, culture, and tourism, thus bringing the total investment during the Third Plan to 7,612,087 dinars. It was impressive to know that the effective participation of the people led to the completion of several vital projects--which were not part of the economic plan--concerning water and electricity. What Shabwah Province has achieved outside the economic plan inspires respect and shows that its people are committed to taking part in the building of a new life.

Domestic Projects

During the last few years Shabwah has witnessed the completion of various domestic projects. These projects would not have taken place were it not for

the close cooperation between the party and the people. The Yemeni Socialist Party knew how to encourage positive initiatives and the people knew how to contribute effectively in order to achieve a new and developed Yemeni society. The party and the local authority in the province utilized all possibilities to carry out these domestic projects. The support and efforts of the party and government did not go to waste because the people fulfilled their promises, a fact which led to the realization of those projects.

#### People's Creative Participation

People in Shabwah, as in other provinces, contributed extensively. Involvement by the people became the norm during the last 2 years. Supervised by the plan and the people's defense committees, the yield from the people's initiatives reached a high level. It is hard to believe that the citizens, in addition to volunteering their labor, provided food for the working hands.

#### Continuous Voluntary Initiatives

Anyone visiting the province of Shabwah will hear the songs of those working on the domestic projects. These songs truly express the joy felt by the people who are struggling to better their lives. The same initiatives could also be seen in the villages of Yashbum Valley, Jibah al-Hanak, Dira' Valley, 'Abadan, Huda Valley, Jaban, Mif'ah, 'Azzan, al-Rawdah, and al-Huta, and the regions of 'Armah, Bayhan, Markhah, Khawrah, al-Hadinah, and 'Atiq. What the province has achieved is important and is considered a model to follow. People contributed greatly to the achievements of the revolution. In Shabwah, the people contributed in various ways, including the provision of electricity and water, the opening of new roads, the digging of new wells, and the donating of money to buy modern hospital equipment.

#### Achievements Regarding Electricity

Eight domestic projects have been completed outside the economic plan. These projects were achieved by the participation of the people and the provision by the government of an electrical current of 3,705 (kilowatt/hours). The total cost was 1,659,000 dinars. These projects provided electricity for 128 villages and 3,724 houses and benefited 50,000 citizens. Last month another project was also completed in al-Fil, Mif'ah District, the cost of which was 150,000 dinars. A project concerning electricity is underway in Haban valley.

#### Achievements Regarding Water

Eighty-five projects concerning building of dams and basins have been completed. All of these projects are in the district of Mif'ah, with the largest in al-Hudnah costing 240,000 dinars. Twelve projects were completed in the district of al-Sa'id, 7 in Bihān, 25 in the district of Nasb, and 28 in the district of 'Armah. In Shabwah many roads were also opened. Several roads connecting various parts of the province to 'Atiq, the local capital, were paved. Al-Nafabah road is considered among the most important achievement in the province. Currently they are working on connecting, with a paved road,

the district of Bayhan with 'Atiq and the capital, Aden. As for health services, several dispensaries and health units in the province were enlarged. The number of coeducational schools was also increased. Thus the province is on the road to a new life. A new 5-year plan will contribute significantly to this new life. In this newspaper we will write in the future about the various districts of the province in order to get to know them and keep up with their progress.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

ROAD MAINTENANCE UNIT IN LAHIJ ACHIEVES GOALS

Aden 14 UKTUBAR in Arabic 10 Oct 86

[Article by Muhammad al-Barhi: "Repair and Restoration of Road Shoulders in Aden"]

[Text] Roads occupy an important role in the economic and social development of our country. Because of this importance many roads in Lahij Province have been opened and paved during the years following the reconstruction drive of 22 June 1969. These new roads link all county villages in the mountains and the plains to principal cities and consequently facilitate the movement of people and the transport of their goods, both now and in the future. Lahij Province, along with the rest of the country, has experienced an increase in road building. Between 1973 and July 1986, 155,000 km of roads have been paved. In addition, more roads are being built. If building dirt and paved roads are essential for the success of all development plans, the maintenance of each and every meter of these roads is even more essential and occupies an important place in the Yemeni Socialist Party's program. As a consequence, a road maintenance unit has been created in Lahij. This unit is a part of the Ministry of Housing and Construction and its purpose is to keep the roads in good condition. In his comments, Comrade 'Ali Ghalib Salih, director of the road maintenance unit, said that in June 1976 this unit was created for the purpose of keeping the paved roads in good condition. At that time the unit employed only 13 workers and owned 1 car and 1 scraper. During the past 10 years the road maintenance unit expanded in order to keep up with the additional number of paved roads, especially those that cross waterways and bridges. Today the unit employs 40 workers and owns 9 large transport vehicles, 2 harrows, 2 scrapers, 2 rammers, 2 small cars, 1 movable water cistern, and 1 diesel tank holding 1,000 gallons.

Maintenance Work

The type of maintenance work varies from place to place. Around bridges and water streams, efforts are focused on removing rust, filling potholes, and clearing rocks, grass, and straw brought by torrents which, if not removed, block the normal flow of water. On roads alongside valleys, walls are being built to prevent mud slides caused by seasonal flooding. In 1985 alone, 3,000 km of these walls were built. Roads in the desert regions are maintained by the removal of earth which piles up during the windy season, especially on

roads between the two proletarian regions of Dakim-al-Husayni and Haran Dayyan. In addition, traffic signs with the names of regions are being placed to facilitate travel. The director of the road maintenance unit indicated that maintenance work includes roads which are not a part of the plan, such as the dirt road linking al-Musaymir Region by al-Darijah, Kirsh-al-Dahi road, and roads leading to the villages of Harabah, Nayil, Hanash, and Qarnah. Work is presently underway to repair a 16-km stretch of the Aden Ta'izz road located between Mahsus and al-Shurayjah regions. Soon the same road will be rebuilt between Dakim and Dar Sa'd and the old bridges that cross it will be repaired. Next year the Ministry of Construction and Housing will build for the road maintenance unit a headquarters in Dakim including a facility for machine maintenance and workers housing.

#### Erasing Effects of the Conspiracy

In order to repair in Aden the damage caused by the unsuccessful plot, which was planned and carried out by the schemer 'Ali Nasir Muhammad and his followers, the workers of the maintenance unit donated every month 1 day's salary for 7 months. The donated money is being used to repair all areas that were subjected to bombardment. For that purpose, 120 tons of asphalt have been used.

#### With Union Committee

On our tour of the Aden-Ta'izz road, where work is being done to rebuild the road shoulder, we talked to Comrade 'Abdallah Hindi Salim, first secretary of the union committee in the road maintenance unit. Comrade 'Abdallah in his comment about the role and activities of the union committee said: "The union committee tries constantly to improve cooperative activities between the workers, and to inform workers about their essential role in the struggle of the Yemeni Socialist Party. This is being accomplished by discussing with them the plans of the road maintenance unit and how they can be carried out inexpensively and efficiently. Not long ago the workers expressed their understanding of the importance of the union or collective work by voluntarily joining the syndicate. And through comradery and cooperation with the road maintenance unit officials, we were able to obtain for the workers work clothes, shoes, gloves, goggles, and a monthly ration of cheese. As far as ideology is concerned, the union committee is educating the workers by regularly distributing AL-THAWRAH newspaper, which speaks for the Central Committee of our Yemeni political party, and SAWT AL-'UMMAL newspaper. We also hold meetings to explain the laws concerning the rights and obligations of the union committees.

Attended also by officials of the workers council, larger meetings are held every 3 months. In these meetings, issues related to work and the goals of the government's economic and social plans are discussed, and decisions and instruction issued by the party and the unions are explained. From what has been achieved we can say that our union's efforts will increase in order to give the workers a large role in carrying out the road maintenance unit's plans and in order for the workers to rally more and more behind the party.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BRIEFS

MESSAGE TO ORTEGA--Comrade 'Umar 'Abd-al-Samad, president of the People's Defense Committees organization, carried a message from Comrade 'Ali Salim al-Bid, general secretary of the Central Committee of the Yemeni Socialist Party, to Comrade Danial Ortega, national coordinator of the Sandinista Front and president of Nicaragua. The message concerned bilateral relations between our two friendly countries and the way to improve these relations. Comrade 'Umar 'Abd-al-Samad arrived in Nicaragua the day before yesterday from Havana, where he participated in the discussions of the Third General Convention of the Cuban Defense Committees organizations. During his visit to Cuba he met with officials of the Cuban Communist Party and Cuban Defense Committees organizations, and discussed with them ways to strengthen relations and cooperation between the two countries. [Text] [Aden 14 UKTUBAR in Arabic 6 Oct 86] 9786/7358

CABINET STRESSES ECONOMIC MEASURES--The cabinet highlighted the importance of the efforts exerted to apply measures that guarantee an increase in production, a decrease in expenditures, and a regulation of consumption which are aimed at improving the economy and securing the social and financial needs intended to improve the standard of living for the people. During its periodic meeting held yesterday morning, under the chairmanship of the prime minister, Dr Yasin Sa'id Na'mani, the cabinet praised the successes achieved in the energy sector, which is one of the most important pillars in the development of the national economy. Due to the importance of the energy achievements to all the provinces of the republic, the cabinet made 22 December of each year National Energy Day. As it happens, 22 December is the day the generator in the electrothermal plant and desalination center in al-Hiswah will be turned on. Al-Hiswah plant is considered a sign of firm friendship between our country and the Soviet Union. During this session the cabinet discussed a number of issues and topics included in its agenda such as a memorandum presented by the minister of finance regarding the budget draft of 1987 and the plans concerning next year's investments. The cabinet requested that the budget be allocated to serve the real needs and the goals of the Third 5-year Economic and social Plan. The cabinet also requested the application of the Political Bureau's decisions regarding an analysis of the financial and economic situation to fulfill the material and spiritual needs of the citizens. The cabinet ratified a treaty between our country and East Germany concerning cooperation in the health fields. It also approved several decisions aimed at encouraging investment in our country. [Text] [Aden 14 UKTUBAR in Arabic 8 Oct 86] 9786/7358

ECONOMIC COOPERATION WITH CUBA--The eighth conference discussion of the Joint Yemeni-Cuban Committee for Economic and Artistic Cooperation started last Monday. Comrade Muhammad Sa'id Madhi, member of the Central Committee and minister of finance, along with Comrade 'Umar Husayn al-Huraybi headed our delegation to the conference while Comrade Jorge Fernandez, minister of industry in Cuba, headed the Cuban delegation. During the opening session, the president of the Cuban delegation reiterated the support of the Cuban government, people, and party to the Yemeni Socialist Party and the Yemeni revolution. He also pointed out the efforts being exerted for a successful session, the aim of which is to improve the bilateral relations of cooperation between the two countries. For his part, Comrade Mahmud Sa'id Madhi pointed out the importance of this particular conference, which comes after the victory of our party and our people over the unsuccessful 13 January plot, and the Yemeni party's struggle to overcome its consequences. He also wished the conference success, which will improve bilateral relations between the friendly countries in various economic and artistic fields. [Text] [Aden 14 UKTUBAR in Arabic 9 Oct 86] 9786/7358

CUBAN COOPERATION PROTOCOL--Last Thursday a protocol of cooperation to 1988 was signed by the foreign ministry in our country and the Cuban Foreign Ministry in the building of the Cuban Ministry of Foreign Affairs in Havana. Signing it for the Yemeni party was Comrade 'Umar Husayn al-Huraybi, our ambassador to Cuba, while Comrade Haila Raduma Sola, Cuban deputy foreign minister, signed it for the Cuban party. [Text] [Aden 14 UKTUBAR in Arabic 19 Oct 86 p 1]

JOINT PROJECTS WITH SOVIETS--Comrade Salim Salih Muhammad, assistant secretary general of the central committee, praised the efforts Yemeni and Soviet experts and workers are exerting in constructing projects by their stipulated times. He stated that the project of gold exploration activities and other joint Yemeni-Soviet projects tangibly express the Soviet Union's support for our country and underline the extent of the development of growing relations between the Yemeni Socialist Party and the Soviet Communist Party and the two friendly peoples. That was cited in his talk before the Wadi Madan project construction supervisors in al-Mukalla Governorate yesterday morning in the context of his inspection visit to the Governorate of Hadramawt. In the conclusion of his conversation, he stressed the provision of various forms of support for the sake of transcending the difficulties in the way of exploration activities. In the same context, the senior Soviet expert spoke about readiness and the exertion of efforts to accelerate rates of activity in order to carry out the plan drawn up for completing the exploration and evaluation stage before 1988. Comrades Sayf Munsir Muhammad, member of the central committee and first secretary of the party organization committee in the Governorate of Hadramawt, and Dr Ahmad 'Abdallah 'Abd-al-Ilah, member of the central committee and ambassador in the Foreign Ministry, accompanied him on this visit. [Text] [Aden 14 UKTUBAR in Arabic 20 Oct 86 p 1]

AFGHANISTAN

SOVIETS PROVIDE PETROCHEMICAL ASSISTANCE

Kabul HEYWAD in Dari 25 Sep 86 p 1

[Text] If we take a brief look at the share of the economic and technical co-operations provided in the past by the Soviet Union for the social and economic growth and development of our country, we will clearly see that there is reason to believe that the manifestation of this friendship is ever more evident in the economic field of our nation than in any other areas. For instance, the construction of buildings, highways, electric power generators, roads, various industries, air-fields, establishments and various mechanized plants and creation of hundreds of other large economic projects which have all played a significant role in the economic development of the country and strengthening of the government sector are but the result of the selfless assistance and a share of the knowledgeable Soviet people who have left as a token of their everlasting friendship with us.

The Petrochemical and Power Generator Plants of Mazar-e Sharif which are located 18 kilometers from the city of Mazar-e Sharif in the vicinity of Balkh River were constructed on a 65-hectare site with over 30 million dollars credit from the Soviet Union. This project is one of the largest petrochemical industrial plants of the region and is one of the hundreds of important economic projects which was completed with the technical and financial assistance of the friendly Soviet nation in 1353 [21 March 1974 - 20 March 1975] and put into operation. More than 2,010 of our countrymen are employed in the above-stated plants.

The main products of the Petrochemical and Power Generator Plants of Mazar-e Sharif consist of: Urea, electricity, liquefied ammonia and its derivatives such as encapsulated oxygen, and encapsulated nitrogen and ammonia. Each one of these products, one way or another meet the needs of our farmers and domestic industries as well.

The Petrochemical and Power Generator Plants of Mazar-e Sharif are not only important from an economic viewpoint but they are also significant from the standpoint of technical training of the workers and other national cadres. For example, at the beginning of the operations there were about 700 Soviet technicians involved in the aforementioned plants while at present this number has reduced to 120. This reduction in force indicates the fact that the Soviet specialists generously impart their know-how and expertise to their Afghan friends and as a result with each and every passing day the Afghan technicians replace their foreign counterparts throughout the country. To this end, from the start

of the operations until now about 2,000 technical and professional Afghan workers have been trained by the Soviet specialists in these plants. Not only many of these Afghan technicians independently run some of the complex technical sections of these plants, but they also serve in other related plants throughout the nation as part of a distinguished national cadre.

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AFGHANISTAN

REVOLUTIONARY COUNCIL COMMITTEE ASSESSES ECONOMIC MATTERS

Kabul HEYWAD in Dari 27 Sep 86 p 2

[Text] The Permanent Commission for Planning and Budget Affairs of the Revolutionary Council of the DRA in the first quarter of the current year formed a session in order to review the results of the social and economic developments of the DRA and the implementation of the government budgeting measures.

According to the agenda, at this session the report of the government planning commission with regard to the implementation of the social and economic developments of the DRA and the report of the Finance Ministry concerning the government budgetary measures for the first quarter of 1365 [21 March - 21 June 1986] was read and duly evaluated.

In the aforementioned report it is stated that the industrial plan of the mixed government sector institutions reached 105.5 percent, with an equivalent of 226 million afghanis over and above the projected production plans. This figure shows a nine percent increase in comparison to the same period of a year ago.

The production of the private industrial sector of the above-stated plan reached 118.8 percent which shows a 23 percent growth. The number of cooperatives have reached 427 and production of 45,000 tons of chemical fertilizer indicates the realization of 102 percent of the projected plan. Furthermore, about 3.3 million afghanis were made available to the cooperatives and the farmers alike.

During the same period 1,103 hectares of land were distributed among 1,692 deserving farmers' families. At the same time the irrigation condition of 1,500 hectares of existing farm lands was improved and the projected index of this plan was realized one hundred percent.

During the first quarter of the current year, for the purpose of research and development of 231 new projects and revival of 45 other projects from a total of 366 projects of the total plan, a sum of 2.87 billion afghanis from the domestic resources and 38.67 million dollars from foreign aids were used.

Moreover, during the same period, the production displacement of both government and private sectors comprised 253.6 million-ton-kilometers or the equivalent of 24 percent of a yearly projected plan. In the same interval, 37.8 million passengers were translocated which shows a 4.1 percent increase over the projected plan.

At the same time a sum of 132.6 million afghanis was spent on communication services which indicates a 6.9 percent more than the projected plan and a 24 percent increase over the same period of a year ago.

The volume of government wholesale trade, that of cooperatives and mixed sectors comprised 4.6 billion afghanis or 20 percent of a yearly projected plan. And the volume of foreign trade was 384.9 million dollars of which 132 million dollars belonged to exports and 252.9 million dollars pertained to imports. The projected revenue plan for the first quarter reached above one hundred percent mark.

Even so, all the possibilities have not been utilized. From a total of 17 ministries and departments enlisted for production plans, only seven organs were able to carry out their projected duties, and from a total of 46 projected industrial products only 20 items were realized while the projected plan of some major industrial items such as cement, cotton and textiles were not met.

Work in the area of farming is not satisfactory. The rate of growth of land and water reform has been below that of last year while the cultivation of cotton-seed and sugar-beet fell 20 percent and 18 percent below the projected plan, respectively.

Only 85 percent of the potential possibilities of the domestic resources have been utilized in the development of the projects. While the construction work on Ghuri Cement Plant, that of Deh Sabz Sun-Dried Brick Plant, the plant for reinforced concrete pipes, hangars, 26 major trade centers of Kabul and dormitories of Kabul University have not been completed.

After the presentation of the above-stated reports, the Permanent Commission for Planning and Budget Affairs of the Revolutionary Council of the DRA approved a series of guidelines and specific duties for the elimination of deficiencies of the relevant departments and the timely execution of other proposed plans. With the preparation of a report on the activities of the first six months of the year and arrangement for work during the second half of the current year for the Permanent Commission for Planning and Budget Affairs of the Revolutionary Council the meeting was concluded.

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## AFGHANISTAN

### LIVING COUNCILS PROVIDE VARIOUS SERVICES

#### Increased Membership

Kabul ANIS in Dari 22 Sep 86 pp 1, 4

[Text] At present the eight district council of the National Fatherland Front [NFF] has 23 living councils with 1,112 members.

During the first six months of the current year two new living councils with 45 members were created and it is also intended to form two more living councils in Shivaki and Bini Hesar districts. According to the pertinent evaluation of the work and activities of the living councils, the living councils of Shah Shahid and those of Rahman Mineh and Seyyed Nur Mohammad Shah Mineh all have been diligently pursuing their work and each has provided noteworthy services for its relevant inhabitants.

While making the above statement, a source from the eight district council of the NFF also added: The eight district council of the NFF has mobile publicity teams who provide extensive information to the interested hardworking individuals who like to join the ranks of the NFF, the army, attend illiteracy courses, or join the various defending groups of the revolution. Through effective publicity campaign of these teams during the last six months 19 individuals joined the army and six people joined a group of defenders of the revolution.

Furthermore, two new illiteracy courses were formed recently. Moreover, the eight district council of the NFF has 10 literacy courses in which 326 persons are enrolled. These courses are being taught by 10 teachers of whom nine are volunteers. Additionally, the mobile publicity groups visited 102 families of the martyrs of the revolution, on a voluntary basis, and provided them with moral and material support.

During the same period, the Arbitration [Family Dispute] Commission of this council also resolved 13 family-related issues.

In a like manner, during the first six months of the current year, the eight district council of the NFF organized six volunteer work-teams with the participation of 350 individuals. These volunteers helped with painting the mosques, resurfacing or cleaning the streets and alleyways, assisted in cleaning the waterways and repairing of the drinking-water pipelines.

### Literacy Courses

Kabul ANIS in Dari 21 Sep 86 pp 1, 4

[Text] The living council of Qaleh Musa, which is active under the guidance of the 10th district council of the Kabul's National Fatherland Front [NFF], has 64 individual and 65 group members.

In an interview with the correspondent of ANIS, the head of the living council of Qaleh Musa stated: From the beginning of the current year this council has collected more than 64,000 afghanis, as donations, from the religious people of Qaleh Musa, which has been used for the construction of Ahmadieh Mosque, also more than 120,000 afghanis was paid for the purchase of the land for the mosque. Likewise, in order to buy carpeting for the mosque a sum of 56,000 afghanis was also collected from the responsive people of Qaleh Musa which was spent on floor covering and other necessary items for the mosque.

He further added: For the purpose of complete elimination of illiteracy, the living council of Qaleh Musa has made some important decisions. For instance, as a result of the intensified efforts of the employees of this council during the current year we have been able to create 21 literacy courses on the level of the council, and at present 367 men and women [whether illiterate or slightly able to read and write] are enrolled in these courses. Three of these courses are being taught by the NFF members while the remaining ones are conducted by teachers from the Literacy Department.

He went on to add: During the current year the living council of Qaleh Musa has organized eight repair and cleaning voluntary work-teams and as a result of the voluntary help of the people most of the alleyways and waterways have been cleaned and the Sa'oddin Ansari alley was also resurfaced.

He also said: Furthermore, with regard to elucidating and explaining the lofty goals of the party, the government and the righteousness of the national democratic revolution, that of the NFF and the resolutions of the plenums of the PDPA Central Committee, employees of the living council also took part in the public gatherings. Due to the publicity campaigns of these employees during the current year, 13 eligible young men joined the armed forces of the DRA and 35 people joined other groups of the defenders of the revolution.

Moreover, during the current year some relief items such as fabric, tea, sugar and soaps were distributed among some needy families and the families of the martyrs of the Sawr revolution.

### Clean Water, Electricity

Kabul ANIS in Dari 15 Sep 86 pp 1, 4

[Text] Mohammad Qasem, head of the Asheqan, Arefan and Khajeh Safa Council of the Kabul's first district council while talking about the activities of the said

council to the correspondent of ANIS stated: The living council of Asheqan, Arefan and Khajeh Safa which has 35 individual and 300 group members has been able to attract eight of the inhabitants to join its ranks during the current year.

Furthermore, during the current year this council has been able to organize four voluntary work-teams in which many of the members of the council and inhabitants took part. As a result of people's voluntary help some of public drinking fountains were repaired, 200,000 meters of power lines were installed, 10 mosques were painted or duly repaired, 100 feet of one street was resurfaced, several waterways and alleyways were cleaned. The honorable people of Asheqan and Arefan donated 30,000 afghanis for the repairs and painting of the mosques and the purchase of floor covering for the same while the respectable inhabitants of Khajeh Safa also contributed 30,000 afghanis for the same cause.

The aforementioned source added: According to the guidelines of the first district council of the NFF, the stationary and mobile publicity groups of this council during individual and group meetings with the clerics, workers, intellectuals and tradesmen explained the righteousness of the national democratic Sawr revolution and its accomplishments and also elucidated the progressive policy of the party and the government and the humanitarian goals of the NFF, on weekdays and on Fridays, either in the mosques or at the holy shrine gatherings of Asheqan, Arefan and Khajeh Safa. This project is still continuing. It should be noted that due to these publicity campaigns 33 young men who refused to join the armed forces changed their minds and did so.

Also it is worth noting that at these gatherings 1,000 publicity leaflets were distributed among the people and 25 posters and other relevant campaign materials were posted on the walls where these meetings were held.

The above-stated source further added: The living council has also distributed 100 bags of pesticides among the inhabitants of the said district during the current year. Likewise, this council has comprehensively cooperated with the relevant authorities in controlling and stabilizing the prices of everyday necessities and providing the needed statistics accordingly.

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## EFFORTS UNDERWAY TO IMPROVE, EXPAND GROUND TRANSPORTATION

Kabul HEYWAD in Dari 28 Sep 86 p 2

[Text] A comprehensive study and analysis of the conditions and natural and geographical possibilities of the country will give us reason to believe that ground transportation should be accepted as the major means of conveyance of the country and thus taken into use accordingly. On the other hand, it should be noted that the development of transportation in the government sector can serve the objectives of the revolutionary government in a better and more effective manner so far as our conveyance means is concerned. After the advent of the victory of the glorious Sawr revolution, the revolutionary DRA in order to secure a complete and timely needs of our countrymen and that of the national economy in the area of transportation of passengers and freights and also insure an orderly transportation link throughout the country, it began an all-out effort in the creation, improvement and growth of the ground transportation in the government sector, however in this regard the share of the Soviet Union's assistance is quite considerable. It should be noted that after the victory of the Sawr revolution in order to create a technical and material base for our country's ground transportation and fashion and expand government transportation institutions, the Soviet Union put 1,500 trucks [with a total value of 3.45 billion afghanis] gratis at the disposal of the DRA. This measure in itself created the necessary condition for the establishment of transportation institutions throughout our country. Through the use of such assistance and the material aids from the Soviet Union we have created seven transportation depots with about 2,000 trucks which serve the central and other provinces of the country, on an extensive basis. During the past five years we've witnessed a rapid growth of the transportation system in the government sector so much so that during the period in question the translocation of goods by government transportation system increased by 1.6 and the volume of freights rose by as much as 5.5 times. While in the same period an oil transport depot with 300 oil trucks has been created in Kabul. Furthermore, for the purpose of providing the necessary technical services for the transportation vehicles, with the help of the brotherly country of the Soviet Union three technical service stations have been formed in the cities of Kabul, Pol-e Khamri and Hayratana, which have all become operational. Additionally, at present one passenger transport department in the government sector with about 700 buses of various kinds [including electric buses] is active in Kabul, Jalalabad and Mazar-e Sharif cities. With regard to the revolutionary government's concern in resolving the city transportation problems, with each and every passing day the number of such vehicles are increased so as to be able to answer the needs of our countrymen as much as possible.

The persistent efforts for the creation and expansion of transportation activities in the government sector have given rise to favorable results. So much so that the government's share of the country's total transshipment [truckage] amounts to 65.5 percent. With due regard to the significance of the growth and development of transportation in the government sector, during the first 5-year plan after the advent of the revolution, greater attention has been paid to this sector. To this end, it is intended to increase the total capacity of the ground transportation for the truckage of goods as much as 1.5 times during the remaining years of the 5-year plan, while at the same time new transport depots will be created in the cities of Qandahar, Pol-e Khamri, Mazar-e Sharif, Lashgargah and Herat and the situation of the existing facilities will be improved--with an aim to increase government sector's transportation capability of goods by as much as 1.6 times. Likewise, the government sector's passenger transportation capability will be increased by 1.5 times. Moreover, during the first 5-year plan appropriate measures will be taken to enhance the efficiency of the transportation industry and increase the average output of the truck and passenger transport facilities.

It is noteworthy to mention that during the years after the advent of the victory of the Sawr revolution along with a rapid development of the transportation in the government sector, particular attention has also been given to the growth and improvement of various other transportation institutions. For instance, the Bar Chalani Afghan-Soviet Transport Company also called Afsutar with 680 trucks plays an extensive role in the area of transportation.

However, it should be noted that transportation industry as we know it today, particularly the truckage industry before the advent of the Sawr revolution, for long years was run and developed by the private sector and even today a major segment of our transportation industry, particularly the remote corners of our nation are served by the private sector. To this end, during the years after the advent of the victory of the revolution and during the period of implementation of the first 5-year plan, for the purpose of a more effective use of the existing possibilities and capabilities of the ground transportation in the private sector, our government has initiated several valuable and beneficial programs and put them into effect accordingly.

The revolutionary government makes every effort so that through the provision of the necessary facilitating means and extending various kinds of assistance to the private sector, attract the extensive and beneficial cooperation of this sector in implementing the government's plans and meeting the objectives of the party and the revolutionary government and also support the owners of these companies against the criminal acts of the counterrevolutionaries. Some of these measures include: attracting of truck owners of the central and other provinces to join the union, an increase of 15 percent haulage fare, 25 percent increase of the tanker truck rental charges, creation of driving and technical courses for the training of drivers and mechanics, extending exemption or delays for military service to the supervisors of the unions and drivers, conferring

of recommendation letters, rewarding successful transportation unions with gifts and awards, extending financial aid to those who have suffered a loss/damage, providing highway security to prevent and counteract the robberies of the counterrevolutionaries, presentation of technical services under easy terms, sale by long-term installments or allowing the use of some trucks by those individuals who have lost their vehicles as a result of counterrevolutionary attacks, and provision of various other facilitating assistance which have been provided in order to attract the employees of the private transportation companies to play a more effective role in the transportation industry. As a result of these endeavors until now 117 truckage unions have been created in the central and other provinces in which about 10,000 truck owners are members. These unions which are active within the framework of the private sector transportation department of the Ministry of Transportation of the DRA are increasing in number and co-operating with the government, and with each passing day their share of transportation responsibilities throughout the country becomes even more extensive. For instance, because of the government's attention to this matter the income level of private transportation sector rose from 71 million afghanis in 1357 [21 March 1978 - 20 March 1979] to 134 million afghanis last year. Likewise, the volume of transportation of goods by the private sector from 1,074,000 tons in 1357 rose to 11,782,000 tons during last year.

To this end, in order to provide for the needs of the private transportation sector it is intended to create production and import union for motor oil and spare parts accordingly.

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## NEWSPAPERS DISAGREE ON AVAILABILITY OF FOOD

### 'Enough Food Stock'

Dhaka THE BANGLADESH OBSERVER in English 29 Oct 86 pp 1, 8

#### [Text]

The Government has enough stock of food to meet any emergency and there is no apprehension for food deficit in the country.

This was stated at a Press conference jointly addressed by Food Minister Major General (Retd) Mahabbat Jan Chowdhury, Relief Minister Major General (Retd) Shamsul Huq and Information Minister Mr. Anwar Zahid in Dhaka on Tuesday.

BSS adds : Food situation in the country was "very much under control" and there was no reason to "fear about famine", Food Minister, Maj. Gen. Mahab bat Jan Chowdhury said in Dhaka on Tuesday.

Our Staff Correspondent adds . The ministers nailed the reports in the foreign Press about the existence of near-famine condition in the country specially in the northern part of the country. They said that the reports in the foreign Press about the food position in Bangladesh was far from a reality.

They said that due to untimely heavy rain and floods there was a rising trend in food-grains price. In the country specially in the districts of Rangpur, Nilphamari, Kurigram, Lalmonirhat, Thakurgaon, Gaibandha, Panchagar, Satkhira and Jessor. But the government, they said, had arrested this price-hike by taking immediate measures including allotment of foodgrains. They said that during the month of

October the Government had sanctioned 70,99,000 (seventy lakh ninety nine thousand) maunds of rice and wheat throughout the country. The allotted foodgrains are being distributed as gratuitous relief and rest relief to ease the sufferings of the people who cannot buy and simultaneously introduced marketing operation and open market sale to bring down the price of foodgrains.

Expressing their satisfaction, the Ministers said that following the measures taken by the government the price of wheat and rice had come down considerably.

They said that considering the food position the Government during the month of October had sanctioned 17,41,000 maunds (65,000 tons) of foodgrains alone in Rajshahi Division.

Simultaneously, the Ministers said the Government intensified the relief measures in the affected areas of the country and sanctioned 10,98,000 maunds of rice and wheat and cash grant of Taka 93,00,000 for distribution among the distressed people. Out of this, Rajshahi Division alone got a sanction of 5,20,000 maunds of rice and wheat. Besides this, they said President Ershad while visiting the affected areas of Rangpur, Kurigram, Thakurgaon and Chil mari sanctioned 25,000 tons (6,70,000 maunds) of foodgrains as relief.

Speaking on the food stock of the Government, they said the Government has now with it 10,00,000 tons of foodgrains. Moreover there is another 3,50,000 tons of foodgrains in the pipeline which would reach the country from abroad by December this year.

Out of the stock, 50,00,000 maunds (180,000 tons) are there in Rajshahi Division. Besides, they said the Government had taken a programme to send 16,00,000 maunds of foodgrains every month to Rajshahi Division.

Speaking on the relief operation at Kurigram, Nilphamari, Gaibandah, Lalmonirhat, Thakurgaon, Panchagar, Satkhira and Jessor where situation was worse, they said that the Government had taken active measures to ease the sufferings of the people. They said that the sanctioned foodgrains in these areas could feed 10 lakh people (worst sufferers) for a month as relief. They said that the Government besides, engaging the local administration had also sent army to distribute foodgrains in the affected areas. They said that Shipping Minister Mr. Mayeedul Islam was staying in the areas to oversee the relief operation.

Replying to a question, Food Minister Major General (Retd) Mahabbat Jan Chowdhury said that the Government had no information of any death by starvation in these areas. The Minister however, admitted that 76 persons died during the flood in the areas.

Replying to a question Information Minister Mr Anwar Zaidi said that the situation in Rajshahi Division is just a 'localised economic depression'.

Replying to a question, Food Minister Major General (Retd) Mahabbat Jan Chowdhury said that the Government expected a harvest of 17.5 millions tons of food in the country in 1986-87

Replying to a question the Relief Minister said that the Government was trying to procure 4 helicopters from abroad to conduct relief operation.

#### No Noticeable Improvement

Dhaka HOLIDAY in English 7 Nov 86 pp 1, 8

[Article by Hassan A. Quashem]

[Text] The overall food situation in the famine-prone northern areas of the country is yet to show any noticeable signs of improvement despite the official claim of additional allocations of foodgrains through various channels.

Rice price, which was expected decline after the distribution of foodgrains through test relief, vulnerable group feeding (VGF) programs, has not sufficiently improved.

The prices of coarse rice have been registered at Tk 8.50 to Tk 9 per kg with a few exceptions in some of the areas where the rice prices declined to Tk 8.25 to Tk 8.50, according to official sources.

This was above the September level. Foodgrain prices in September also experienced a slight increase than in previous months.

In September the price of coarse rice increased by about 2 percent over the price of the preceding month. Prices in July and August this year were well over the official prediction. In July they registered an increase by 19 percent and by another 19 and 14 percent in August and September over the level of the official forecasts.

October is normally the peak price period.

All factors that make an area famine-prone are present in Kurigram and Chilmari, said an official source. Rice exchange entitlement of farm workers, which is considered an important indicator for assessing a famine situation, is now in sight in the northern areas of Bangladesh.

The boatmen, transport workers, agricultural labor, marginal farmers, village craftsmen, petty traders and others are usually identified as the worst victims of the present wage-price configuration.

Earlier, the several studies conducted by the Bangladesh Institute of Development Studies (BIDS) show that Hatibanda, Lalmonirhat, Chilmari, Kurigram, Bhurungamari, Ulipur, Rowmari, Fulchhari in Rangpur district are the listed areas which are liable to famine.

This should have been the usual guideline for the administration for dealing with the emerging situation in the northern district.

Inspite of the food ministry's decision to make additional allocation of foodgrains to meet the shortage of supply in the

market and also as part of its efforts to control the market prices, it was not implemented by local-level officials of the food ministry.

The government in early September decided to allocate a total of about 50 thousand tons of foodgrains throughout the country immediately before the election.

The ministry earlier received information from the food controllers that if government failed to distribute a certain amount of foodgrains out of about 3 lakh tons, the quality of the rice will deteriorate beyond the limit of human consumption level.

This is indicative of the situation. Despite the huge quantity of rice stocks, the food ministry could not distribute the grains among the people. Official statistics also show that in all the areas huge quantities of foodgrains were available in government stock rather than in the market.

A total of 40 to 50 thousand tons of foodgrains were in the warehouses in Kurigram and same quantities of rice were available both in Nilphamari and Gaibaanda. But despite special allocation in September the off-take was extremely low due to the poor purchasing capacity of the socially and economically vulnerable groups.

Some food ministry officials had earlier advised the government for taking early measures but it was not given proper attention.

Besides, the food controllers in different areas did not respond positively to an official order for releasing additional foodgrains as the instructions

asked the food officials to categorize the different quality of rice before release. They declined to furnish the information to the ministry. About six months back, in response to a similar order, the dealers sold 78 thousand metric tons of rice in the name of bad quality showing lower prices in the official records.

There was also a proposal for increasing the allocation under modified rationing and vulnerable group feeding. But the relevant ministry did not take adequate steps in this regard, it is alleged. The relief ministry, though aware of the situation, was not active to deal with the situation.

There are still possibilities of further increase in prices as aman production might experience a shortfall of about two lakh tons from the target of 85 lakh tons. The present release of foodgrains from government stocks had no dampening effect in the market. The prices might increase further till the aman harvest starts coming in from this month.

Meanwhile it is learnt, government is likely to increase the price of foodgrains under the rationing system. At present administered price of rice is Tk 8.10 per kg. The cabinet will decide the issue soon. The commission of ration dealers is also going to increase along with the ration prices.

## COST-OF-LIVING INDEX RISES DURING FIRST QUARTER

Dhaka THE NEW NATION in English 30 Oct 86 pp 1, 8

[Text]

The living index for urban middle class rose by 3.21 per cent during the first quarter of the current fiscal year ending in September last.

According to statistics available from Bangladesh Bank, the increase in Dhaka city was two per cent, Chittagong 4.04, Khulna 3.5 and Rajshahi 3.3 per cent.

The index was calculated giving the highest weightage of 62.74 per cent to food followed by housing and household requisites 11.85 per cent, fuel and lighting 7.5 per cent, clothing and footwear 6.2 per cent and miscellaneous 11.71 per cent.

Prices of essentials in Dhaka city increased in all cases 68 per cent except tea which registered a fall by 20 per cent in September compared to the corresponding month of last year.

Money supply during the July-September quarter registered a decline of Tk 72.32 crore to Tk 4,855.6 crore. The fall was shared by both currency outside banks and demand deposits.

A senior official of Bangladesh Bank told this correspondent that the situation in jute

sector which continued to be the mainstay of our economy was "critical" because of sluggish export market.

Citing figures he said sales registered during the week ending September 6 increased by 6.49 per cent but the average value per bale in dollar decreased by over 42 per cent compared to the same week of last year. Similar was the case with jute goods and tea, the export price of which has fallen drastically.

About remittance from wage earners abroad the official said it had been declining gradually following ratio restrictions by certain countries on repatriation of earnings. Besides, intake of our workers was likely to be lower this year.

Last year the remittance totalled 550 million U.S. dollar. Finance Adviser Syeduzzaman had earlier predicted a 10 per cent fall in remittance this year.

The official observed that smuggling from across the border was leaving a tremendous impact on our economy. 'We have become the market for other countries,' he said and emphasised the need for strict enforcement of law to check it.

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CSO: 4600/1233

FOREIGN MINISTERS COMMENT ON INDO-PAKISTAN RELATIONS

Pakistan Foreign Secretary

Calcutta THE STATESMAN in English 15 Nov 86 p 9

[Text] Bangalore, 14 Nov--The Pakistan Foreign Secretary, Mr Abdus Sattar, said here today that till about a week or 10 days ago he did not have any information of troops movement by India in its western border. The Indian Government had assured the Pakistani Government that if there was any troops movement, it would inform the latter in accordance with the existing understanding between the two countries. This had allayed their apprehension to some extent, Mr Sattar added,

Explaining the existing understanding between the two countries on troops movement, he said that it had been the practice to notify each other whenever there was any substantial troops movement in either country. He said that he had left Islamabad on November 9, but till then India had sent no notice about troops movement. But newspaper reports of Indian troops generated some fears among the public in Pakistan. India had since informed them, through diplomatic channels, that in accordance with the understanding India would notify Pakistan in case of any substantial troops movement. He hoped there would be no substantial Indian troops movement and India would give adequate notice before such movement.

Terrorists

Referring to allegations that Pakistan was harbouring and imparting training to terrorists active in India, he said that Pakistan had no intention of interfering in the internal affairs of India. He felt that there should be a machinery by which a joint inspection could be undertaken to verify each other's allegations. He admitted that the problem of terrorism was souring relations between the two countries. It is possible to bridge the gap by following the principle of non-interference and by detailed examination of individual allegations.

He said it was unfortunate that hijacking of Pan American Aircraft at Karachi airport had unnecessarily clouded the relationship. The interrogation of three of the four hijackers, caught had revealed that they were Palestinian youths trained in hijacking in Lebanon. Their objective was to take hold of some

American passengers for the purpose of blackmail to obtain release of some of their compatriots held in different parts of the world. The fourth hijacker was injured and still undergoing treatment in hospital.

He categorically denied the allegation that Pakistan was manufacturing weapon-grade uranium at its nuclear plants. What Pakistan was doing, he said was development of low level fuel-grade enriched uranium to develop the capacity of production of reactor fuel. This had become necessary as one of the foreign countries supplying the fuel to Pakistan had unilaterally stopped its supply since 1978-79. He announced that Pakistan was prepared to accept any bilateral, regional or global inspection of its nuclear plants applied to a non-discriminatory basis to satisfy the peaceful purpose behind its nuclear programme.

### Tiwari-Khan Talks

Calcutta THE TELEGRAPH in English 15 Nov 86 p 6

[Text]

**Bangalore, Nov. 14:** The Union external affairs minister, Mr N.D. Tiwari, today assured his Pakistan counterpart, Sahebzada Yaqub Khan, that there was no concentration of Indian troops at the Indo-Pakistan border.

In talks lasting one-and-a-half hours, Mr Tiwari said only routine Army exercises were being carried out.

Briefing the press, an external affairs ministry spokesman said both Mr Tiwari and Mr Yaqub Khan reaffirmed their commitment to normalisation and improved bilateral relations in keeping with the letter and spirit of the Simla Agreement. He said "extensive" discussions were held on developments since the meeting between Mr Rajiv Gandhi and Gen. Zia-ul Haq in Delhi on December 17.

Mr Tiwari stressed the need to expand trade between the two countries in keeping with the principles of GATT and the agreement between the foreign ministers when they met in January this year. It was agreed that the foreign secretaries of the two countries would again meet for in-depth discussions before the two Prime Ministers met.

#### Lanka issue

In the course of a 90-minute meeting, Mr Tiwari and the Sri Lankan foreign minister, Mr

A.C.S. Hameed, agreed on the need to continue peace efforts regarding the Sri Lankan ethnic problem.

India assured Sri Lanka of its full cooperation in finding an early settlement to the ethnic issue, the spokesman said Mr Tiwari hoped that there would be a determined effort to ensure that the peace process was not adversely affected by acts of violence especially against innocent civilians in Sri Lanka.

Reaffirming their commitment to eliminate apartheid in South Africa, the two foreign ministers stressed the need to apply comprehensive and mandatory sanctions against the racist South African regime. Mr Tiwari also briefed Mr Hameed on further developments with regard to the solidarity fund conceived at the Harare summit of the nonaligned movement.

#### Foreign secy's panel

The standing committee of foreign secretaries made considerable progress on the issue of drug trafficking.

**Windsor Manor:** The Welcom-group Windsor Manor hotel, where the leaders will stay, is "fully ready" to receive the VVIPs. The hotel has spent Rs 30 lakhs for refurbishing and sprucing up the building. At least 250 cans of Brasso and Silvo, 1,500 litres of paint, 700 metres of wiring and 1,000 bulbs are among the things that have gone into making the hotel more beautiful.

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CSO: 4600/1219

## SUPREME COURT RULES ON SUING OF FOREIGN MISSIONS

Bombay THE TIMES OF INDIA in English 6 Nov 86 p 9

[Text]

NEW DELHI, November 5  
(PTI).

**T**HE supreme court today directed the Union government to pass reasoned orders while granting or refusing permission to Indian nationals to sue foreign missions in Indian courts under the civil procedure code.

"If the administrative authorities are enjoined to decide the rights of the parties, it is essential that such administrative authority should accord fair and proper hearing to the person to be affected by the order and give sufficiently clear and explicit reasons," a division bench comprising Mr. Justice Sabyasachi Mukherji and Mr. Justice K. N. Singh observed.

The judges were disposing of a petition moved by Mr. Harbhajan Singh Dhalla, who had undertaken general maintenance work at the Algerian embassy here and at the residence of the then ambassador of Algeria in New Delhi in 1976.

Mr. Dhalla in his petition claimed that his rightful dues for the maintenance work, which ran into more than Rs. 28,500, had not been paid by the embassy authorities.

Mr. Dhalla said he had approached the external affairs ministry for permission to sue the Algerian embassy for recovering his dues but the ministry refused to give permission through a letter dated November 2, 1983.

The judges set aside the external affairs ministry order which had said that "after due consideration the government of India regrets that permission to sue the state of Algeria cannot be given on political grounds."

While noting that the government should keep in view the principle of natural justice and the trend and the development of the international law, the judges observed: "There is no claim of any privilege that disclosure of reasons would undermine the political and national interest of the country."

The court also directed the Central government to explore the possibilities with the Algerian authorities of a mutual settlement either by arbitration or by other accepted legal norms.

The court further directed that the government in considering the question of accord of sanction should ignore the limitation of time that may have lapsed in view of the action taken in obtaining the consent in accordance with the principles of the limitation act, 1963.

As the petitioner was appearing in person, the bench noted that the government should give him proper legal assistance.

"It appears to us that a foreign state in this country if it fulfils the conditions stipulated in sub-section (2) of section 86 of the civil procedure code would be liable to be sued in this country.

"That would be in conformity with the principles of international law and in accordance with our constitution and human rights, the power given to the Central government must not be exercised arbitrarily or on whimsical grounds but upon proper reasons and grounds," the division bench held.

Mr. Justice Mukherji and Mr. Justice Singh observed that it was difficult to comprehend how the dignity of a foreign state or relations between two countries would be jeopardised in respect of building where masonry work was supervised by a contractor or an architect.

"One should have thought that the political relationship between two countries would be better served and the image of a foreign state better established if citizens' grievances are judicially investigated. That would also be in consonance with human rights," the judges added.

The Central government in its counter-affidavit had submitted that it found no *prima facie* ground to allow the petitioner to move courts.

## LOK SABHA PASSES CITIZENSHIP (AMENDMENT) BILL

Calcutta THE TELEGRAPH in English 12 Nov 86 p 4

## [Text]

**New Delhi, Nov. 11 (PTI):** The Lok Sabha today gave its approval to the Citizenship (amendment) Bill 1986 after a categorical assurance by the minister of state for home, Mr P. Chidambaram, that it would have no impact on the Assam accord.

Replying to the point raised by members during the clause-by-clause consideration of the Bill, the minister also said the government was maintaining a constant vigil on the Indo-Pakistan border to check the clandestine entry of foreign nationals.

The Bill, which was termed as "discriminatory" by some Opposition members, provides for citizenship to every person born after the passing of the amending Act only if at the time of his birth either of his parents is a citizen of India.

Under the existing provisions, every person born in India on or after January 26, 1950 shall be a citizen of India by birth. The Bill seeks to prevent automatic acquisition of citizenship by birth.

The minister said the interests of immigrants in Assam had been protected under Article 6 of the Constitution and no attempt had been made to dilute the Assam accord. He said the government would not allow overstay of foreign nationals after the expiry of visa without any valid reasons. Neither would it allow the entry of any foreign national without valid documents, he added.

Referring to infiltration from

Pakistan, he said stern measures were being taken by the BSF and other government agencies to check the clandestine entry.

He assured the members that the rules framed under the Bill would be applied fairly and without any discrimination.

The statement of objects and reasons of the Bill states that a large number of persons of Indian origin had entered the country from Sri Lanka, Bangladesh and some American countries and had stayed back. The government has taken a serious view of this clandestine entry and with a view to making the provisions of the Citizenship Act more stringent, the original measure was being amended.

The Bill also seeks to amend Section 3 of the original Act to provide for a person to become eligible for citizenship by registration only if he has resided in India for five years before applying for registration. Under the existing provisions, a person can apply for registration after residing for six months.

The Bill also proposes to substitute the word "women" in the section with "persons" so that the eligibility of citizenship through marriage to citizens of India, now admissible to women only, is extended to men also.

The amendment to the third schedule of the Act increases the period of stay in India from five years to 10 years for those who are not citizens of a Commonwealth country to apply for a certificate of naturalisation.

## APRIL ELECTIONS LIKELY IN FOUR STATES

Calcutta THE STATESMAN in English 14 Nov 86 p 9

## [Text]

NEW DELHI, Nov. 13.—The current thinking in Delhi is to have the Assembly elections in four States simultaneously, and some time in April next year, rather than elections being held in February in West Bengal, and the other three being staggered in subsequent months.

It is feared that an adverse performance by the ruling party in one State may affect the chances of the party in the States where the elections may take place later.

Otherwise too, it is thought, if the poll results come together from one set of States, these would be in the form of a popular verdict in something like mini-general elections, almost half-way through Mr Rajiv Gandhi's five-year term.

The Assembly elections in West Bengal, it is known, were contemplated by the ruling Left Front there in February. The Left Front wanted to advance the poll, due some three months later, for the last Assembly election was held on May 12, 1982. Indeed, the Left Front went ahead and has gone

through the exercise of selecting its candidates in preparation for an early poll. However, the Congress(I) party has now been claiming that the poll should not take place in February because the floods in the State have upset the conditions there.

## CONTROVERSY

Presumably, it is also thought that the controversy generated by the Gorkha National Liberation Front in northern part of West Bengal would also subside by then and that the Congress(I) would get a little more time to set its own house in order. Should the Election Commission advise the West Bengal Government to have the poll sometime in April, asking for time to finalize the arrangements particularly in view of the floods, the State Government would have to agree with it.

The other two States where Assembly elections took place on May 12, 1982 are Kerala and Haryana. Neither the Kerala nor the Haryana Government has made their mind known as to when the two

States can go to poll. However, it is known that it would be better for the ruling parties in both States not to have the poll very much in advance. There are so many loose ends to be tied up by the Kerala United Democratic Front and in Haryana too it would be better for the ruling party to delay as far as possible so that the strains of the Punjab accord, that have hurt the Haryanvi mind, may smoothen a bit by the passage of a little more time.

Jammu and Kashmir also will now go to poll to elect a new Assembly. The Chief Minister, Mr Farooq Abdullah, has named March next year when the State would go to poll. However, March will not be cold in the valley, but usually there are rains in April, and Jammu and Kashmir would in any case like the poll to be over before the all-important tourist season beginning from May. It is thought here that Jammu and Kashmir can be persuaded to have the elections along with the other States.

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CSO: 4600/1218

RAFSANJANI ADDRESSES QUESTIONS OF 'IMPOSED WAR'

Tehran JOMHURI-YE ESLAMI in Persian 7 Sep 86 pp 10-11

[Text] ISLAMIC REPUBLIC NEWS AGENCY News Department—In a recent interview with the VOICE OF THE ISLAMIC REPUBLIC OF IRAN, Hojjat ol-Eslam va-ol-Moslemin Hashemi Rafsanjani, speaker of the Majlis and spokesman for the Supreme Defense Council, answered a number of questions from correspondents concerning the imposed war. Last week a summary of this interview was published in the newspapers, and in view of the interest of readers in this discussion, the full text is presented for our dear readers below.

[Question] Why does the Islamic Republic of Iran consider the Iraqi regime a Zionist regime and Saddam an infidel?

[Answer] In the name of God, the Merciful, the Compassionate. Of course nominally, according to his identification card, Saddam is a Muslim, and his slogans in the past have been anti-Zionist. He has spoken so passionately on this issue that he even attacked the Steadfastness Front for being conservative, but in practice there are other issues. First of all the Ba'th Party of Iraq in the Islamic nation of Iraq is a party built on an irreligious foundation and we say it is infidel. The ideology of the Ba'th Party of Iraq actually has an anti-Islamic structure. They do not accept Islam, and their analysis of contemporary and historic issues is anti-Islamic. The leader of this party is a person named Michel 'Aflaq, a Christian. This person has roots in the anti-Islamic policies of the West, and there are also indications that he is involved with the Zionists.

No one has any doubt that the Iraqi Ba'th party is an anti-Islamic party; the people of Iraq know this themselves, and the Ba'thist writings and ideology have been published. In practice, however, you can see that we are using this war itself as a standard. The war itself is the best reason for using the term Zionist, because when the Islamic republic came about in Iran and the Islamic revolution was victorious the only important issue in the area and in the world that was being discussed in relation to the other issues was the Israeli threat.

The Arab nations know that we immediately expelled the Israelis from Iran and established a Palestinian embassy in Tehran. The Palestinians were the first to obtain an embassy from us after the revolution. The Islamic revolution of Iran was definitely anti-Zionist. Therefore, what Saddam did was instead of making use of this great power for the Arabs and the Muslims to take back Palestine he imposed this war in the interest of Israel. Israel is still seeing the results of that, just as you can see.

In practice he serves Zionism, and he showed this characteristic previously in opposing the steadfastness front and the things that they were doing. Therefore in practice he is both a non-Muslim and in service of the Zionists. Of course he chants anti-Zionist slogans, and he also has the same name as Imam Hoseyn. Sometimes he even makes a show of going on a pilgrimage to Karbala to fool the people.

[Question] Is it not Muslims on both sides who have been killed in this war and who are suffering the most? Therefore why doesn't the Islamic republic answer positively to the Islamic governments? They are generally proposing peace and calling upon Iran to answer their call, but despite these requests Iran continues the war.

[Answer] Of course just as you say it is the Muslims on both sides who are suffering from this war. This war was also imposed on us. We did not want a war and we were not belligerent. The Ba'th Party of Iraq started the war, and behind the scenes were the great powers, the reactionaries of the region, and in our view the Zionists. That is, the triangle of world imperialism, reaction and Zionism was behind this war, and the goal was to destroy the government of the Islamic republic, to divide Iran, or other things which have been discussed before this in other talks.

Therefore we did not start the war. Not that it has been started, we must see what should be done and what is advisable.

As long as the Iraqis had the upper hand in the war, almost no one spoke seriously of peace. They said such things as let them accept such and such a place as Arab land, they have come and changed the name of Khuzestan, you give back the Islands of the Persian Gulf, give them the Shatt al Arab, give them the heights of Iran, and then the war will be over.

Some of the mediators who came said that the Treaty of Algiers was signed at a time when Saddam or the Ba'th Party of Iraq, which at that time included Hasan al-Bakr and others, was weak, and the shah imposed it on them. Very well, now they want to balance the treaty.

When our counteroffensive began and operations Fath ol-Mobin, Tariq ol-Qods and others were carried out against Iraq and they realized that we were advancing, this song of peace began.

If the song of peace had been serious and if they really wanted peace, there would have been room for hope, but again peace without punishment for the aggressor is not peace. We believe, however, that this very call for peace is a lie. The way they think is that if this war is stopped right now with a cease fire it will be peace. These are exactly the conditions world imperialism wants. Even after that, however, many Muslims would be killed in this field, and many Muslim resources from both Islamic countries would be spent on arms purchases and arms races. Naturally, in this race, the Iraqis would win, because they have no ideology and can dance to the tune of any nation in the world. Therefore they will be supported, while we, who wish to stand on our own feet, be independent and pursue our aspirations, and who cannot endure humiliation and accept whatever they say, will always have our hands tied. This will be the situation, and in the future when Iraq becomes powerful and reliant on reaction and imperialism and Iran can rely only on its own people and is subject to a real boycott, any day the conditions seem right they will attack again.

Our forecast is clear. As for those who do not accept this scenario, I believe they only appear not to accept it while in their hearts they know that the Ba'thists might very well start a war again for the same reason they started it in the first place. Another goal is to transfer the sensitivity

that is at the Israeli border to the Iran-Iraq border, after which Israel will be entirely stable. Israel will become stable when the Arab nations officially recognize it; at that point worse conditions will develop for us.

Even though Muslims are now being killed, first of all we are not at fault because we did not start the war, and our continued defense is for the reason I gave, first to obtain our rights, for we have suffered many losses and if the war were to stop now no one would give us back what we have lost, although there are those who are telling us to negotiate to recover the losses at the negotiating table after the fighting stops.

Those who are the underdogs in the war and are being defeated are telling us that a fund can be established to include funds for rebuilding both Iran and Iraq, but they are not prepared to pay war reparations, and therefore they will not repay our losses.

There are now hundreds of thousands of Iraqi Muslims who are still refugees and there will be more to follow. The question will remain whether there is war or peace. An arms race would destroy what is left of our economic power, and one day these Muslims would again be pitted against one another in war. We therefore believe we must uproot the corruption, and in this we are claiming a right, it is not something that anyone could call bullying.

We say that you must punish the aggressor, pay us our reparations and return the Muslims to Iraq. These things are reasonable. This is the only way to uproot the bloodshed, the war, the arms race and so forth.

[Question] While it may not be accurate, it is now being predicted that since Iraq regrets its aggression, starting the war, and the pressure it has endured during these six years, it will not do such a thing again for a long time. Wouldn't it solve the problem if we cut the war short instead of continuing it for another long time?

[Answer] Our predictions are based on calculations, and just as we say, perhaps it may be this way. First of all, the past is a guide to the future you are now seeing. What started this war? Secondly, Iraq is not alone. Iraq is now like a puppet, and we have no doubt that the great powers will not be content to see Iran become a national, populist and powerful Islamic force. They do not want this, and the calculations are clear. They will act to weaken us one day when some means becomes available. There is a slight chance, maybe one, ten, or 20 percent that this will not happen, but we are working according to the odds. Moreover, our rights are important and we must have them, and we must resolve the problems in the area for example by removing the Ba'th Party. From the day it was formed the Ba'th Party has obstructed the Islamic and nationalist movements of the people in the area. To remove it now will open the way for future Muslim movements in Iraq and other areas.

[Question] We are on the eve of the seventh anniversary of the imposed war. During this period, always when the question of who started the war has been discussed, even though it is obvious and there is no doubt whatsoever that Iraq started the war, the rulers of Iraq and after them the propaganda organizations of the East and the West have said that since the Islamic revolution Iran has tried to use extensive propaganda to export the Islamic revolution and the ideas, culture and thought of the revolution to other countries in the region, including Iraq, and that the Iraqi government started the war to prevent this. The issue is actually being discussed in such a way in international circles that they are making Iran appear to be the one that started the war. What is your view of this?

[Answer] This is a good excuse if they want a good excuse, and they do want one so they can say this. Very well, we have said repeatedly from the very beginning that when we speak of exporting the revolution we do not mean that this will be done through force, war, or our own intervention in the affairs of others. What we meant is that it is not a nationalist revolution or one confined to a specific geographic area, it is an Islamic revolution. That is, the ideology of Islam is the foundation of the revolution. This is what we were saying; ideas are not confined by geographic boundaries, they cross them, especially when they pertain to concerns shared among Islamic countries. When the people of the world see a revolution that achieves independence, when they see that Islam has been implemented successfully when this was said to be impossible, others will take this as guidance and follow our example. This has been explained repeatedly, and we never meant that we wanted to interfere in the affairs of others. Should a war be started against someone for talking like this? For example the Marxists who are now being discussed believe their doctrine to be a universal one, but they are saying things that we absolutely do not say. They are speaking of a world state in their doctrine, and of an international workers' movement. This means that wherever a Marxist nation comes into existence its neighbors have the right to fight and overthrow them. Actually all ideological revolutions that transcend national boundaries and are based on a single idea that can be spread to others are capable of being exported. We have said this very thing, but what we have said has never meant that someone else could consider himself entitled to attack us because our revolution is exportable. Yes, if we had intervened and crossed Iraq's borders, or if we had even claimed to have the intention of doing so, then they would have been able to prevent it. This is just an excuse.

[Question] In the same regard, one of the focal points of their propaganda is that since most of the Iranian people are Shi'ites, this is a war of Shi'ites against Sunnis. Could you clarify this issue?

[Answer] If they wish they could even say the opposite, that this is a war of Sunnis against Shi'ites. We did not start the war. Everyone knows who did and has said so publicly, except the Iraqis, who have made a distinction between the one starting the war and the one who keeps it going. It is an accepted fact that they started the war, and everyone knows this. In the first days, Iraq advanced 90 kilometers into our territory. How can we be the ones who started the war, in the first days we had not set one foot into Iraqi territory. They came and from north to south they crossed our borders wherever they wished. In those days we had absolutely no army and no power. There was no revolutionary guard and no army, and there was a purge going on in the army. We couldn't even establish a sentry post. Therefore no one mentions who started the war. As for the idea that this is a war of Shi'ites and Sunnis, first of all they started the war, and if we want to discuss it it must be discussed in these terms. Secondly, the idea is a lie to begin with, because most Iraqis are Shi'ites. Around 60 or 65 percent of the people of Iraq are Shi'ites, and 35 to 40 percent are Sunnis. Therefore Iraq is essentially a Shi'ite country. Secondly it is not as if only Shi'ites are fighting on the Iranian side. Every day now you can see crowds being mobilized from Turkmen Sahra, Baluchestan, Kordestan, and other Sunni areas, and these people are Sunnis. Our Shi'ites and Sunnis are at the fronts together. In Kordestan the Sunni and Shi'ite clergy are being martyred together. It is not this way that people should be saying these things. Moreover, in Iraq itself where these things are being said and this issue of Shi'ites and Sunnis is being discussed, the government is now in the hands of the Sunnis; it is the Sunnis there who are pressuring the Shi'ites, not as Sunnis, the Sunnis are applying pressure that way there. We are not at all ready to claim that it is a Shi'ite-Sunni conflict, even in Iraq itself; within our own country we are not prepared to present this as a Shi'ite-Sunni conflict. We believe it has always been one of the doctrines of world imperialism to pit the Shi'ites and the Sunnis against each other, and now they want to intensify this conflict in this way and to tie an historic knot in Muslim relations during this century. Well, this kind of talk obviously has no place. The reason is

that countries such as Libya support us, and they themselves are Sunni. Syria supports us, and the majority of the people of Syria are Sunni. North Yemen supports Iraq and most of the people there are Shi'ites. Therefore this kind of talk is nonsense.

[Question] Concerning the continuation of the war and the damage that they say will be done to both sides, an issue being raised is that instead of continuing the war and allocating so many of the nation's resources to the war, we could use them instead for reconstruction and promoting the Islamic republic in the world. Couldn't we move in this direction by stopping the war? This question is in the minds of everyone, especially in economic circles, where everything is seen in terms of statistics and figures. This issue is being widely discussed. They speak of economic growth and say that the war has slowed Iran's growth. Could you discuss these issues?

[Answer] I answered this question in my answer to your previous question. Yes, this logic would be perfectly correct if we had started the war. Perhaps we could have been successful with reconstruction and the pattern of an independent, advanced country. Our people would have been provided for as well, and this was what our doctrine was and what we wanted. When the war started, however, the matter was no longer in our hands. If we had not defended ourselves our country would have been divided or the government would have fallen completely and the revolution defeated. We therefore wanted to defend ourselves. We did defend ourselves, and when we achieved military parity or superiority, the next phase began where our enemy's strategy was to create this condition of neither war nor peace, and if this were successful, now only would we be unable to use our resources for development, we would even have to borrow money and constantly look this way and that way in humiliation to find money for arms. You can see that Iraq has oil and that the oil-rich countries support it and give it loans. Before they will give loans to us we would have to grovel a bit. Then we would have to sell everything we have. Iraq would buy a MIG 25, then we would buy an F16, for example; Iraq would buy a surface-to-surface missile with a certain range, we would go a little bit higher. This cycle would continue forever, and our resources, those of Iraq, and even those of the countries around us, instead of being spent on affairs for the welfare and fundamental needs of the people, would be poured into the bottomless pit of weapons. After two or three years these weapons would no longer serve to enhance military power, they would be used on the battlefield, but that must be modernized. In this way we would not achieve results nor would the solidity of the revolution be preserved, nor would that morale and fighting spirit of the people be maintained. Our idea is that God willing we will be victorious. After that we will receive reparations, or assuming the government of Iraq makes the excuse that we should have taken the reparations then we will compensate for reparations. Even then there will be no arms race and we will spend a few years using the country's resources to reconstruct with peace of mind. You must know that if Iran is victorious in this war and proves it can stand on its own despite the desires of the superpowers and defeats that united front of infidelity, no one will ever get the idea of attacking Iran. At that time we will be able to begin our long period of reconstruction with peace of mind.

[Question] A great many of the issues being raised here are vague ideas spread among the world's people by the Zionist media, and perhaps it is somewhat surprising that these questions are being raised at all, especially among our own people. In view of the comprehensive and interesting analyses by yourself and other national officials at various points, there is no doubt, hesitation, or ambiguity in these areas. However, just as was noted at the beginning of the discussion, the goal is to clarify most of the ambiguities that have been created at this point or throughout the war in the world with respect to aspects of the war. For this reason I ask Your Excellency to excuse me if some of the questions seem somewhat surprising, misplaced or unnatural. One of the confusing things they have said is that in continuing the war we are diverting the attention of Muslims from fighting the real enemy, Israel. If possible, could you discuss this matter?

[Answer] I agree that these matters must be clarified because of the confusion they have created in the minds of the people of the world. Naturally it is very clear in our country that the people have not accepted these things because we can see that the people themselves want to continue the war. There are people who think this way, however and these issues must be clarified. This is sophistry that they wish to present as a reflect of reality.

You see the real goal of imposing the war was so that the the Islamic revolution would not fight Israel. They thought that the Islamic revolution would either be defeated or kept busy, and if we stop the war right here, again they would reach this very goal. My previous explanation applies here. Suppose there is a 90 percent chance, or suppose it can definitely be said that if the war between Iraq and Iran stops here there would be no real peace. That is, the Ba'th Party would be in power and we would be in power here. The Ba'th Party would have to defend itself, it would have to say why it fought and why it lit the fire. It would say for example that Iran attacked them or had attacked them. It would have to defend all the lives lost in the face of what it did, and all of the losses would have to be defended. On the one hand our enemies are now in Iraq and the enemies of the Iraqi government are now in Iran. It is not as if we can abandon, for example, the combatant Muslims of Iraq and deport them. Naturally, as a result they are protecting our enemies, the counterrevolution, right there.

Supposing there develops true peace and friendship between Iran and Iraq despite all these casualties and all these deaths, it would be very weak. How can the parties in this war be friends and the people of the two countries tell each other that they fought until yesterday, they had deaths, martyrs and losses, but now they will be friends and close their eyes to the past. The people absolutely cannot do such a thing. Can our people accept a friendship with the Iraqis, with all the deaths, losses and so forth? Such a thing is not practical. Therefore it is a sure thing that if we reach that point the same state of enmity will exist between us, and this means the same arms race. An arms race will mean that whatever they have they will spend right here and the quarrel will be brought from the borders of Israel to here so that Israel can breathe easily. Then Israel will call the tune. At that point they will support whichever side they wish. Even now we are hearing that the Iraqis are establishing secret relations with Israel through Morocco, Egypt and Jordan and are making use of Israeli agents. Certainly under those conditions it will be this way. On this pretext they will make peace with Israel, and they made this war to satisfy Israel, either by defeating us or keeping us occupied. If we agree to a peace, Israel will be satisfied, and this is why the Israelis are so eager for peace.

[Question] Concerning this issue, Iraq is now producing extensive propaganda on these issues, saying we should go against Israel as allies. They have even proposed that we could cross Iraqi soil to fight Israel. What are your views concerning this?

[Answer] Yes, he tells us to go fight Israel, but when all the Arabs were fighting Israel Iraq sent its army to the end of the parade, did not fight, and its army returned. This Ba'th Party is nothing. Is Michel 'Aflaq going to fight Israel? Michel 'Aflaq is the leader of the Ba'th Party of Iraq there. Yes, this is a very good excuse for them to tell us that the war is over and for us to go through to the Israeli border. They would definitely stab us in the back, too. What they want is to be free of the pressure we are putting on them, and what they are saying has nothing to do with it.

[Question] Concerning the continuation of the war another point is that the international organizations have a special popularity in world public opinion. Chief among them especially is the United Nations, and after that a series of regional, Arab and Islamic organizations. They are

asking why we do not listen to what they say, as international authorities to whom everyone refers in time of conflict. Therefore, why does the Islamic Republic of Iran pay no attention to the views, guidelines and proposals of the international organizations? Although most of the time we reject or refuse to accept international enactments, even so we give them statements concerning issues that take place and ask them to intervene. Don't you think this is contradictory, and could you discuss the issue?

[Answer] In the first instance, first of all you know well the essence of the international organizations, for example the United Nations Security Council, with the veto that America, England, France, the Soviet Union and the others have, they themselves started this war. We know that it was with their resources that the war began, and they carried it to the point that France loaned Iraq Super Entendards, which they did not have the right to sell, to use hitting our ships. There where they have the veto, do you think it likely at all that their intentions are good? They started the war. For the moment we will postpone discussion of the fact that they themselves started the war. Their positions show that we cannot trust them. When the war began, why didn't the United Nations intervene immediately, and why didn't they condemn Iraq? Why didn't the Security Council do this? Very well, Iraq came to the edge of Ahvaz, took ten of our cities, occupied 1200 villages, why didn't they do anything?

The Security Council did not take any serious measures at that time. Since it became obvious that the Islamic republic would not be defeated in this war and would win, they have always called for peace. Then in the course of this look at what things have happened when they have remained silent. Examples are the chemical weapons they have used and the poisonous gas they have used at Faw. During Operation Va ol-Fajr alone they dropped 3,000 chemical bombs, and Iraq has used more chemical bombs in this war than have been used in any other war, and the international organizations have remained silent. The Iraqis have polluted the ocean, they have burned oil wells, and again the international organizations have said nothing. The Iraqis have attacked commercial ships on the sea and the international organizations have said nothing. The Iraqis have attacked non-military passenger aircraft, and these organizations have remained silent. The Iraqis even hit the aircraft carrying the Algerian foreign minister and martyred him on his way to Iran and all of these organizations remained silent. They hit a non-military passenger aircraft from our airline, martyring 40 people at once, and these international organizations did nothing. The Iraqis rocketed and bombed so many non-military centers in the cities and they are still doing so. Very well, are these the kind of international organizations that we can trust and place the fate of our country in their hands? They are not trustworthy. As for the fact that we sometimes say what we have to say to them, very well, a tribune and we have a presence there, and we have the right of membership. This is a right we make use of there. The ambiguities you mention that they have created in the minds of the people of the world they have created with just such activities as this. We must have a presence in these organizations and say what we have to say there. There are news correspondents there and the people of the world listen to what is said there. Some of what we have to say is said there.

If we say nothing there they will primarily condemn us there. We speak out there to the extent that we can, but again, they do not properly reflect what we say.

[Question] In the same connection an issue which has been greatly stressed in the World Court and which they say is very unnatural is Iran's demand for the overthrow of a country, and its assertion that it will stop fighting when he is overthrown. They say that there is absolutely no such thing in the World Court, and that if it is really a war, we must sit together and let an organization or the World Court itself settle this matter by arbitration somehow. What are your comments in this regard?

[Answer] Sometimes when people approach us as mediators this is exactly what they say. They tell us for example that the world will not accept these terms. No mediator has ever come to us saying he does not agree that Saddam is the aggressor. These very international organizations and persons who speak with us behind closed doors all agree that Iraq started the war. We also say something very clear. We tell them that if they agree that Iraq started the war, then they should agree to have a court formed on the basis of Iraq's aggression. Something I have given as a message in this very salon to ambassadors come here to be taken back to their respective countries and organizations is that we want a court to be formed on the basis that Saddam is the aggressor, with no discussion of who is the aggressor, because it is clear who the aggressor is. If you want to hold discussions on this point, we will be detained for a time on this issue. This is exactly what they want, so the fronts will be calm and then they can do whatever they want. A discussion of who the aggressor is could take years, while they find witnesses and precedents. These things could be done in demonstration trials when they agree to it. What did they themselves do with Hitler? We ask these European countries, what did you do with Hitler and Hitler's gang? This is no different, it is a similar thing. Hitler started a war, but it became a world war; this war is limited to a region, but the same thing must be done with him. Therefore our reasoning is not that we are saying right now that Saddam must be overthrown, then a court should be formed. We are saying that a court must be formed to try the aggressor, who is Saddam, and if such a court is formed, to whose membership we agree, then we will accept it. We have said this repeatedly, and we are saying it again, but the assumption must be that everyone knows in their hearts that the court is a place where its judges speak.

[Question] You mentioned Hitler. In one place they mentioned that Hitler is different from Saddam. Their reason was that first of all Hitler started a world war, while your war is a regional war. They also said that Hitler's motivation was to spread the idea of fascist nationalism, which was a danger to the entire world. They say that there is absolutely no comparison between that and this. What is your view of this?

[Answer] Very well, what is the essential difference between someone starting a world war and a regional war? In either case it is aggression, some people are hurt, both countries are hurt. Hitler did damage to more countries. We accept this. Very well, more or less, the essence of the matter is no different, and Saddam must be tried as well as an aggressor and a war monger. As for the idea that Hitler was promoting an idea and that this was worse, what was Saddam pursuing then? Why did they start this war? They wanted to defeat a revolution, they wanted to divide a country, they wanted to take a country's territory by force. Is this crime less than the crime of promoting an idea? It is worse. What Saddam did was not essentially the promotion of an idea. On the basis of an idea of his own, perhaps somewhat like a regional Hitler, he wanted to be the region's policeman. He thought that if he could win this victory in Iran he would take over the shah's position in the Persian Gulf, and moreover he would protect his standing among the Arab nations. Iraq was becoming the power of the region. He had thoughts such as this, like Hitler's ideas. Let this not be the issue. The aggressor himself must be tried.

[Question] We have discussed various aspects of the continuation of the war and most of the questions have had to do with this. Let's approach the issue from another angle, which is that as long as we fought on our own soil it was very simple to justify the continuation of the war, but after we entered Iraqi territory, of course in view of the confusion that was constantly promoted abroad with propaganda, this matter came to require more justification and analysis. After we entered Iraqi territory and in view of the propaganda that is being spread, they are asking why we are continuing the war. Before we did that we said we were driving the aggressors out of our own territory. What justification do we have now?

[Answer] Of course the demands we are making cannot be achieved without entering Iraqi territory. If we stay behind our own borders and always maintain that the aggressor must be tried, that they must pay reparations, and say what must occur while assuring them that we will not enter Iraqi territory, no one will be afraid of us. Yes, we said once that we were fighting to drive them out of our territory, but this was never our goal. We did not accept limits. We said we would drive them out and win our rights. For us to get our rights we must enter Iraqi soil and advance wherever necessary. As we have said, we will continue this even to Baghdad if necessary. There is no other choice. If we consider the issues I have discussed before and if the war continues without trying the aggressor and without our taking our rights, crossing into Iraqi territory is a natural matter and we must do so.

[Question] Do you think that if they do not give us our rights and this issue continues in the same way the day will come when we will annex all of Iraq, simply because we say they have not given us our rights?

[Answer] No, annexation is absolutely not part of the plan. If we reach a point where we are in control there naturally the Ba'th Party will fall and the government will fall. Then, just as we have said, we will give the Iraqi people an opportunity to create the government they want. After that, other demands of ours will remain, that is after the Iraqi government goes our other demands will remain. Therefore there is no question of annexation.

[Question] In this regard our demands and conditions have been stated in many places. Please be kind enough to declare our conditions for ending the war once again.

[Answer] We have said that the aggressor must be tried and punished in a competent court, that our lost rights must be returned to us, and that Iraqi refugees must return to Iraq.

[Question] You said that we will go there and the Ba'th Party will fall and we will return and leave the government in the hands of the people of Iraq. Now assuming that there is a coup d'etat in Iraq and Saddam is overthrown, if opponents of the Ba'thists come to power, will the Islamic republic adjust to its conditions and will it accept the new conditions? Could you discuss this question especially in light of recent reports of a thwarted coup d'etat attempt, and the likelihood that there will be more such coups d'etat in the future, especially since the position of the Iraqi regime is getting worse every day?

[Answer] Assuming that Saddam is overthrown by others in a coup d'etat or some other thing and the Ba'th Party no longer governs Iraq, this will automatically answer one of our most important demands. Then a trial there would have no meaning. This would therefore leave reparations for our losses. We have said before that if a government is formed in Iraq that is truly popular and belongs to the people, if it is an Islamic government like the one in Iran, since we know that the majority of the people of Iraq are Muslims, if an Islamic government comes naturally we would not apply pressure on financial issues. We will cooperate with those people in order that two countries can cooperate to resolve the problems in the area. If a government to our liking is not formed in Iraq, a government which does not contain the Ba'thists and those responsible for the war, then we will press for the remainder of our demands, the reparations and the return of Iraqi refugees to Iraq.

[Question] If a government comes to power in Iraq, as the result of a coup d'etat for example, that appears to have an interest in relations and expresses this interest, but beneath the surface this is not the case, how would you justify this?

[Answer] In any case we are not responsible for warring with whatever government we do not accept that comes into power in Iraq, as long as it is not responsible for this war. In that event we must not be concerned about the war. that government that comes into power there must give us our rights. If it gives us our rights, if they do not war with us we will not war with them. In any case the war is with the Ba'th party. If there is no Ba'th Party, there is no longer any reason for a war.

[Question] Therefore if the Ba'th Party falls, will one phase of our conditions be satisfied?

[Answer] This is our most important condition, and at that point the international organizations could come and say how these two countries would live together.

[Question] Some of the victories of the forces of Islam in Operation Va ol-Fajr Eight, which took Faw, some of the action in Operation Karbala One which liberated Mehran and the political movements in the area all show the remarkable terror which has been created in Iraq and in the countries that support Iraq: the Iraqi regime is at a peak of humiliation. As the spokesman for the Supreme Defense Council and the His Holiness the Imam's representative on the Supreme Defense Council, in your view is this not the best time to gain political concessions or to hold political talks?

[Answer] If we agree that this is the best time for them, a time when they are defeated, if we stop fighting at the same time, for us it is the best time to increase the pressure and achieve our demands. If we stop fighting now what difference would there be than if we had stopped five years ago? The enemy would breathe easily and later he would lift his head and say 'we stopped the Iranians and they could not come, we defended Arab identity', and other such things they have said before, and we would gain nothing. Yes, this is a good time, but it is a time for applying more pressure to gain our rights.

[Question] In any case, one of our concerns, one of the reasons we have for continuing the war is that we want to uproot aggression in the area and to establish an enduring peace in the area. What is the meaning of this enduring peace? What guarantee is there that there will be an enduring peace with the fall of Saddam's regime?

[Answer] We make no claims regarding anyone, and we have no territorial claims against any of our neighbors. We have proven that if others attack us they will suffer, and this has been proven by victory. World imperialism now recognizes our side and according to its own terminology Iran is the superpower of the region. They have realized that that dream they had of Iran ruling the area under the shah with weapons, force, and technical resources has now been realized by an independent Iran. The world has recognized that we are the most powerful force in the area. Very well, assuming that we are not aggressors, marauders or any of these things, naturally others will not attack as Iraq has done and place themselves in jeopardy. We are prepared to live in peace and harmony with all of these countries. This is what enduring peace is, it means there is no longer a reason for antagonism.

[Question] In any case, what is the Islamic Republic of Iran's long-term strategy in this war, or in other words how can the countries of the region hope for neighborly relations with Iran, without the same anxieties that were prevalent in Iraq, the fear of the revolution's export and fear of Iran?

[Answer] As for a guarantee, no one ever comes and says here is a document for you to sign that says you will never do this. Our past shows that we are not adventurers. If we had some inclinations the countries of the Persian Gulf have given us an excuse to display them, for it is clear that they have repeatedly helped Iraq. They sell oil for Iraq, they give them money, and they allow Iraq to use their roads, ports, and probably then air space for military purposes. Although it would be very easy for us to punish them, we do not intend to expand the war, because we have no background for doing it, and our past shows this perfectly. They should not think that since Iran is now at war with Iraq it will not fight them; this is not a proper reason, because all of them who are down here are the equivalent of one or two provinces in Iraq. If we were planning or if we had the inclination to attack them or to expand the war, it would be because we thought Iraq had another army, for example.

There is no greater guarantee than this. Moreover, all of their resources are within range of our weapons. They have things on the coast that are like glass houses. One has only to destroy their salt water distilleries to disrupt their lives. Their coasts are all oil and pipes full of flammable materials. Their ships constantly pass our warships and we can hit their ships from our coast. We have shown in practice that we are patient and tolerant and we have no record of aggression or hostility against our neighbors. Moreover, we are Muslims. Muslims must not start a war against other Muslims. We are now caught up in this war. We have inadvertently fallen into this trap and we have no way out of it. If there was a way we would end the war. I have discussed this in my previous comments. They all know that we are not inclined toward this kind of molestation. It appears, however, that they are taking orders, that they are being dictated to, that they are being aroused and deceived. In any case, if there are guarantees in any words, we are saying it, and if there are guarantees in our actions, our past shows it.

[Question] It is assumed that our current situation provides the best opportunity for us to strike and some of these countries are now openly supporting Iraq.

[Answer] You understand perfectly. If we wanted to attack, Kuwait is a small country and it is also next to us. It is a very short distance between us and Bubiyan Island, merely the width of the 'Abdullah estuary. We went to the other side and took Faw this way, how hard would it be for us to take Bubiyan? If we took Bubiyan we could control routes heavily used by Iraq to resupply, but because we are observing these same issues, we do not wish to do so and we have not declared war on Kuwait and we do not want to hurt them.

[Question] To what extent will you continue to observe these considerations? In any case, it has been proven that these countries are helping Iraq; they have been advised through various means not to do this, and they have paid no attention. What is the Islamic Republic of Iran's position on this, and what will it do if they increase their support?

[Answer] We will tolerate it as long as it can be tolerated, just as we have done so far, but when they go too far it can no longer be tolerated. Logically, the people will no longer allow us to do so, neither logic nor the people will permit it. We have tolerated this to the extent we have done so far.

[Question] There is a point of confusion in the minds of the people in the area, and that is the role the superpowers are playing, meaning the United States and the Soviet Union, in connection with the war. Publicly they both say that the war must not continue, stop the war, continuation of the war is harmful and creates unrest, and this sort of thing. On the one hand these people are Saddam's main supporters, they bring forces, send weapons, and provide propaganda and political assistance. Why do they act this way with respect to propaganda and on the other hand do

opposition to Muslims, keep the fires of this war hot? In practice they have contradictory policies in this regard. One day they say they are neutral, one day they say the war must be stopped, another day they say that their interests require an end to this war. Could you explain this?

[Answer] The upshot of the matter is that if they were not afraid of our winning they would want the war. The imperialist powers really want this war to continue as long as we do not win. They have no complaints if Iraq wins, because this was their goal and they themselves started this war. If neither of us wins they also want this, this is clearly in their interest. First of all their weapons are being used quickly. The weapons are being tested, and the most important thing to them is the testing of weapons. Secondly, the power of Muslims is being divided, and two countries who could be a significant combined force in the area are at each other's throats. They are making good use of such measures as lowering the price of oil, and who would dare to do this if we and Iraq were united in OPEC? None of the oil-rich countries to the south would have the nerve to plot against us if we were allied with the Iraqis. The question of Israel is more or less resolved for them here. They have made the Arabs afraid of Iran, which they have magnified and presented to them as a threat. We also see those who are dependent to the bottoms of their hearts, including Egypt, Morocco, Jordan, and even the PLO and others surrendering. These people are really profiting from this state of war that exists. There is only one threat to them, and that is an Iranian victory. They have solved this for themselves by constantly strengthening Iraq against us. That is, they give them more modern weapons to compensate for their weakness. It is obvious that the path is clear. Their way is that either the war should continue or a state of neither war nor true peace—unrest in the area—should continue. Both cases are good for them.

The best outcome would be for Iraq to win, which they have given up on now. The worst outcome would be for Iran to win, and they are trying to keep this from happening. We must do something to make it happen, just as it happened in the revolution.

[Question] In this war the Iraqi regime has used chemical weapons again and again against our combatants, to the point that even the United Nations has confirmed it. Most of the people in the world know that in this war Iraq has used chemical weapons in violation of all international regulations. The question is, does the Islamic Republic of Iran have the ability to cope with such weapons. In the past, in view of the fact that they fired rockets, we also fired them, they attacked with aircraft, we responded in kind. Why have we not responded in kind in this area? Is this possible or not?

[Answer] When they began using chemical bombs we did not have them, but since we had the technology for this, we took measures and now we have them. We can now respond in kind. Of course this is a very inhumane weapon. Chemical bombs are not confined to the uses they have been put to so far. There are other types that can completely destroy a city in one blow, they can completely destroy an area's water supply, they paralyze people for generations, that is they can do damage that lasts generations and do much damage to families and in other areas. We are trying to exercise restraint. It appears that if the Iraqis use them again we will have to do so also.

[Question] In your comments you have discussed weapons technology. A much-discussed issue today which has become a kind of puppet show put on by the foreign radio stations, even quoting officials from the Zionist regime and with the VOICE OF AMERICA even quoting the American Department of State, saying that Iran buys weapons from Israel. The reason they give, which enables them to calmly say this to the public, is that Iran has American weapons, needs to obtain

them, and goes to Israel to buy them. What is their goal in staging this puppet show? In the same connection, at that time much was made of claims that we were carrying out a large operation. If there is a connection between these two issues, please explain.

[Answer:] In my view this is one of the things in the media which are absolutely without credibility, at least among people who are the least bit familiar with politics. No one who is the least bit familiar with the rudiments of politics and the positions in the area can believe that we are buying weapons from Israel or that Israel is willing to sell weapons to us. This war started in the first place because Iran is a threat to Israel. For this reason, although the Western world is afraid of the Arab world becoming armed lest these weapons be turned against Israel someday, they are selling sophisticated weapons to Saudi Arabia, Iraq, and other countries. Because they now consider us a serious threat to Israel, or rather not us but Islam, with us as the standard-bearers of Islam, and because Islam will not tolerate Israel in the area as a government, they themselves do not believe this. There is a joke here that whenever the Israelis want to defame us they themselves claim that we got arms from them. In their hearts they really believe that they have such a bad reputation that by spreading this false news they will be able to slander us in this way.

Very well, RADIO ISRAEL and Israel's plans are all clear, and Lebanon itself has seen this issue. They know that if we were not in Lebanon and if our friends were not there, they would have resolved a number of Lebanese issues in the interest of Israel. Despite the problems on our minds we are keeping alive the fight with Israel in Lebanon, and Israel has expelled our supporters from southern Lebanon. These people know these things. Of course it is possible that the public, especially in the Arab world and in the Islamic nations believe this a little because of the propaganda. The truth is that we are so opposed to the Israeli entity that when the Islamic republic came to power we rejected Israel so firmly that we lost many of the contracts the shah's regime had signed with Israel, and for which we are owed money by Israel. For example Tufanian and the shah had signed a contract with Israel in which Israel would build rockets in Iran with a range of 500 kilometers. There were Israeli companies in Iran, the center was in Sirjan, and some of the work had been begun. They had taken a lot of money from Iran for this. I heard recently that Tufanian had said that Israel has built these rockets and has now installed them in Jowlan, the same ones they were to have given us. The Israelis now owe us around 600 or 700 million dollars. Because our relations have been severed, they have an excuse not to pay us. Of course we will collect this money one day, but the situation is such that there is no difference in this regard between America and Israel, when the Americans are keeping our F-14 parts and even military clothing, which we bought from America in the shah's time, in warehouses and will not give them to us. They are also charging for storage. How could they authorize Israel to give us even one bullet, which we would not accept in any case? If the day ever comes when we must obtain even one bullet from Israel, we would prefer not to fight at all, because we consider this very dangerous. We consider Israel so illegitimate that the slightest warming of our relations would shake our fundamental principles. As for your question about where we obtain arms, it is true that most of our weapons, our advanced weapons such as aircraft, radar and surface-to-air missiles, are American. First of all, Iran has good stocks of parts for those weapons, which we have conserved carefully since the beginning of the war. Secondly we began making our own parts, and now we really make thousands of parts, which is a very great task, and these things cannot be discussed extensively in the media. After the war it may be possible to discuss this. We make so many parts that we are hoping to make the items themselves later as an outgrowth of parts manufacturing. We have made very good progress. Third, the situation of Westerners is such in the world that these weapons may easily be obtained through middlemen, particularly NATO weapons, and many of these weapons are NATO

weapons. These items are now being phased out, but are available in the warehouses of the world's arms merchants. Since there are no longer customers for them we are mainly the ones able to use them, and they are very happy to come and deliver them to us.

[Question] Don't you think they are more expensive?

[Answer] In some cases they are more expensive, in some cases they are less expensive. We bought F-5 aircraft at half price in one place which the Americans had been supplying us during the shah's time. Even now we buy parts for some items at prices lower than on the microfiches the Americans publish or have here.

There is a great deal of facsimile manufacturing in the world. The warehouses of the world's arms merchants are full of these parts and they are seeking customers. If someone pays cash, for example, they willingly supply them. There are a number of actual cases in America itself, and individuals have been arrested and tried or are being tried in court. There are people who steal weapons there or who actually own them but have no right to sell them and who sell them to us in some way or through a third party. We have obtained many things in this way and we continue to do so. We are confident we can obtain them. American cannot stop this. Moreover, our main war, the war in the fields, does not depend greatly on American weaponry. You see, our power in the war is infantry power. Our air war is primarily a defensive one and for air cover.

In the ground war we make most of our munitions ourselves or take them from the Iraqis in our victories. We have now captured a tremendous amount of Eastern weaponry from Iraq, and there were also some Eastern weapons in the shah's time. At the same time, these can be bought. The most important weapons we must have in the war are artillery, mortars, individual rifles, short-range Katushya rockets, and other such things. We have a factory that make Katushya rockets, an artillery factory and a munitions factory and just about every kind of ammunition. Our maintenance situation is very good. We have more than 1,000 helicopters, for example. It seems that we had the world's third helicopter gunship, but I do not know for certain. With 1,000 helicopters, we could lose 100 of them and still have 900, and we can obtain these in the quantities needed. Our condition is good.

One of our good sources is the Iraqis themselves, since we take weapons from them. There are also official or unofficial sources for purchase, but to be sure, if we realized that a dealer had removed the Israeli mark from a weapon and was trying to sell it to us, we would not buy it.

[Question] You say that their role in operations is somewhat devious with respect to weapons we obtain from the free market. Is this really such a profitable operation that when we buy weapons on the free market the money ultimately goes to the Americans, as they say? Please discuss this matter further. Which of these two options is more advisable, and to what extent can we really ignore this issue?

[Answer] We cannot ignore it. For example, our F-14s are very good aircraft, and we had about 80 of these. We now have 74 or 75 of them and we have lost three or four in this period. These are vicious aircraft. They have long-range rockets and when they are in flight the enemy cannot approach them. We cannot obtain anything to replace them. Or for example there are our surface-to-air missiles, which we protect in sensitive places. These are very good rockets, they are American and still among the world's good defense rockets. We have a lot of these rockets. Under the former regime they filled the warehouses with these, and although we have been using them for the war for seven years, we have enough to last another ten years in this kind of fighting. Very well, we must conserve these launch devices, because they need parts also, or

American radar, which is good radar, and the main issue is that we have the technology to maintain these things. New weaponry would require new personnel, new training, and an opportunity, and then the logistics would be very expensive. We have everything we need for our current weapons, they only need parts. This is in our interest. As for the fact that the money goes into the pockets of the Americans, of course unfortunately this is harmful, but what can we do? The world's arms merchants are all either American, French, English or Russian and they are all alike, a pack of jackals.

[Question] In your view, what can the countries in the region do? What can they do to help end this war, and what kinds of solutions exist?

[Answer] What we expect of them is not to help Saddam. We do not ask them to help us, we do not need their help. They must not help Saddam. For example right now they are producing and selling oil from the neutral zone for Iraq, and Kuwait and Saudi Arabia have a dispute with Iraq over this neutral zone, they say this is about 300,000 barrels. Or for example the Iraqi oil pipeline through Saudi Arabian territory was built during this very war, in conflict with the interests of OPEC, since Iraq did not accept its production ceiling. Saudi Arabia is hurting itself and tolerates Iraq's headstrong behavior. They export oil or allocate most of their port space for supplying Iraq. They are giving Iraq loans or aid, and they have given Iraq so much money that their own reserves have been endangered. They sell oil at low prices and endanger the oil market in order to supply Iraq.

Their newspapers and radio stations are always defending the Ba'th Party, and they must not do this. We will have no complaints and the war will come to an end if they will be neutral like Turkey, Pakistan, countries such as South Yemen, and even for example Sultan Qabus, since these people are a bit better in this matter.

[Question] As an official of the Islamic republic, a prominent world personality, and one of the leaders of the Islamic revolution, what is your message to the Muslim people of the area?

[Answer] We ask the Muslim people of this area to look and see who is defending Islam in the area now. If the Arabs are against Israel and consider themselves to have responsibilities in this matter, let them look and see who is now Israel's enemy. If they are worldly people, then Iran can be useful for their world. We can be especially helpful to these countries to the south of the Persian Gulf. They can manage their own oil independently. We can supply them here with their food and the daily needs which they must now import from Europe and remote places; we can deliver these to their homes at good prices, just the things we have even now. We can protect them from blackmail. Formerly the Iraqis blackmailed them; Iraq had formed a band of terrorists, and they were all afraid of Iraq. Let these people look and see what their governments are buying with their wealth. Why, for example, is the small nation of Kuwait content to spend tens of billions of dollars to finance Iraqi aggression and this stubbornness of Saddam's?

Saudi Arabia is distorting everything in order to defend the Ba'th Party, and only yesterday they were calling them infidels. Very well, the people are beginning to understand these things. The people are seeing our pilgrims in Mecca, what efforts do our pilgrims make for them? They defend Islamic doctrines, Arab identity, everything. In the future we can be good friends to the people provided their governments are not so subservient and that the people give their governments the advice we have given, which has not been accepted. If the governments do not accept the advice, then the people can at least think as Iran does to satisfy themselves. These people must be brothers and live together.

[Question] We thank you for your kindness and for dealing with some of the confusion that has been created in the world. We hope that these talks have helped clarify this confusion and that we can have more programs of this type in the future.

[Answer] I thank you for your trouble, and I thank the film makers and the technical organizations who worked on this project in order to enlighten the people and get the truth out, even though I know that tomorrow when the very things we have just said are published they will take a mistaken word out of context, tell a lie, and broadcast it in a different form. However, you and I have the responsibility of telling the truth to the extent possible.

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## HEAVY INDUSTRY MINISTER ADDRESSES PROBLEM OF SELF-SUFFICIENCY

Industrial Independence

Tehran KEYHAN in Persian 7 Sep 86 p 17

[Text] Economic Service—More than 21 companies under the mantle of the Ministry of Heavy Industries exhibiting 8,000 industrial items participated in this ministry's first self-sufficiency exhibit.

KEYHAN's economic correspondent reports that this exhibit opened yesterday morning—Saturday—at the permanent site for industrial self-sufficiency exhibits, in special ceremonies including a speech by Engineer Behzad Nabavi, minister of heavy industries.

The ceremonies were opened by Dr Towfiq, deputy minister of heavy industries for research and education. He said: The exhibit hall must be a stepping stone to self-sufficiency. Our aim the last few years has been based on the words of the imam, who said: "We want self-sufficiency, so we must work."

Great things have been done so far, and our brothers have made laudable efforts in the trenches of manufacture. This exhibit hall was opened in 1362 [21 March 1983 – 20 March 1984] with the rental of the building that previously housed the Starlight factory for an exhibit of 2,000 industrial items by units under the ministry and 3,000 primary industrial and mining chemicals. To date 53 manufacturing contracts have been concluded at this exhibit hall.

The revolutionary guards are also exhibiting about 1,000 items they need at this site, manufacturing contracts for 138 of which have been signed.

He also said: After Majlis approval, arrangements were made for the three military armed forces to exhibit the items they need at this site.

He added: On the other hand, the Ministry of Mines and Metals has declared its readiness to exhibit items it needs here, especially for units such as the Sar Cheshmeh Copper Complex and the steel complex.

Therefore, with the joining of heavy industry and the industrial self-sufficiency exhibition hall, domestic manufacturers will be able to take part in making the country self-sufficient and meeting its needs for industrial items. The exhibition hall is the site for displaying the industrial needs of manufacturers.

In conclusion, Dr Towfiq said: There is also a large library here with about 40,000 books and publications, and about 72 private research centers are in contact with us; 72 self-sufficiency research cells from the ministries of heavy industries and mines and metals cooperate with the exhibition hall, and a small computer is used to provide information to applicants.

Then Engineer Mehr' alizadeh, deputy minister of heavy industries for industry and exploitation, gave a talk. He said: About 21 companies under the Ministry of Heavy Industries have been able to exhibit items needed by heavy industry, totaling 8,000 items, and manufacturers of industrial items may contract to manufacture the items after seeing them on display.

The report from KEYHAN's economic correspondent also says that as these ceremonies continued Minister of Heavy Industries Engineer Behzad Nabavi gave a talk. He said: After the Ministry of Mines and Industries was divided into the Ministry of Heavy Industries, the Ministry of Mines and Metals, and the Ministry of Industries, some new problems arose such as the lack of coordination in the creation of new industries, agreements in principle and production plans, and in the matter of self-sufficiency itself.

You must realize that when you wish to become self-sufficient, some of that self-sufficiency goes back to the ministries of industry and mines and metals. I hope that the presence of the Ministry of Heavy Industries at this exhibit hall will be a beginning for the production and at the same time the preservation of independence for the nation's industrial ministries.

Referring to research and its utilization in production and manufacture, he added: I call upon you to move the work of self-sufficiency from the research stage to the working stage.

There is never a day without news of self-sufficiency in the media. A device is built and a prototype constructed, but it may have no economic value, because a newly-built prototype can be called economical only when it can be produced in quantity.

Of all these devices that have been built and for which there were hopes they would be put into production, which of them have reached the production line, and which of them have reduced the country's use of foreign exchange? We call upon you to regard self-sufficiency with economic goals in mind. If it is only a slogan carried to the point of prototype construction, it is merely talk for the nation. Self-sufficiency takes place when it reaches the production line.

We also call upon self-sufficiency officials not to advertise a prototype, because later we will have to answer for what we did about it and what happened to it.

#### Minister of Heavy Industries' Proposal

Engineer Nabavi then spoke to officials and organizers at the exhibition hall. He said: You must elevate the exhibition hall above the level of a ministerial unit and organize it on the basis of industrial areas. Do not make a booth for every ministry, organization and group. Organize the booths according to items. For example, establish a foundry booth exhibiting items from the Ministry of Heavy Industries, the Ministry of Industries, the Ministry of Mines and Metals, the Ministry of the Revolutionary Guards, the Air Force, and so forth so that exhibits of foundry products will be shown in one place, enabling the manufacturer to work in terms of industrial areas. He wants to see the items. I also call for an active encounter between the parties in need of goods and manufacturers. Previously when the price of oil was good and foreign exchange was not an issue, the former group was not greatly enthusiastic about self-sufficiency, but today we must be active in this because we do not have foreign exchange.

The manufacturers of the items, whom we are seeking to make these goods and meet our needs, are in two groups. The first group is those who are unemployed, unlicensed and unauthorized. Since they need lathes, raw materials and tools, they come here saying 'give us these two lathes; we will make these items for you if you can give us something'.

We must seek the second group, who have large production companies, strong units and the ability to build. The producer must have the ability to produce the items we have placed here. One cannot build 18,000 valves a year in a two- by three-meter basement. Seek the large companies and invite them to participate.

Continuing his remarks, he said: You must realize that if you have 8,000 items to be built on display today and the number increases two years later, it will show you are not making progress. If you can cut this number in half in two years, it will show you have been successful in meeting part of the country's needs, and we will be able to say we have become self-sufficient in a sense.

You must therefore realized that this place can be the site for creativity and initiative. As I have said, several important and basic steps must be taken. A mass means of production must be found, a method of production that shows difficulty of producing one item, and finally there is the matter of price. Pricing is done along with the method of production. Therefore the false prophets of self-sufficiency are leaving the picture, and if we bring people who do not have the goods, we will actually be wasting our efforts.

KEYHAN's economic correspondent reports that in conclusion Engineer Behzad Nabavi and his entourage, including the managers of some of the factories, visited various parts of the Ministry of Heavy Industries' Self-Sufficiency Exhibition.

At this site companies are exhibiting about 8,000 items of which they are in need for viewing by manufacturers and those wishing to manufacture them. The companies include Iran Khodru (Peykan, Otobus, Minibus), Zamiyat, Saipa, Lukas Tandar, Jahanru, Iran-e Docharhkeh, Tizru, Pars-e Khodru, Vagon-e Pars, Kombain Sazi, Kompresur Sazi, Pompiran, Mutur-i Darman, Ishtad Motorz, Liftrak Sazi, Sane', Khavar, Idam, Hopku, and Traktur Sazi.

It is necessary to mention that the hours of the self-sufficiency exhibition are from eight a.m. to three p.m.

#### Economic Reconstruction

Tehran KEYHAN in Persian 7 Sep 86 pp 18-19

[Interview with Minister of Heavy Industries Engineer Behzad Nabavi, date and place not specified]

[Text] [Question] What is your view concerning the new economic program, the degree of its success and the end of the era of reliance on oil?

Minister of Heavy Industries Engineer Behzad Nabavi: When the nation had enormous oil revenues there was no possibility of implementing a policy like the current program because those enormous revenues ultimately called for compatible planning.

Stressing the fact that under current conditions it is not advisable to fund the nation's dependent industries, Nabavi said: Now is the best opportunity for us to change the economic structure and retire the nation's dependent industries. If this opportunity is not used in the best way to change our economic structure, it will no longer be possible afterwards to make basic changes.

At the same time Nabavi said: I do not believe that the measures taken since the drop in oil prices have been very revolutionary or transformational. Because of political and intellectual obstacles and other problems, the government must act cautiously. It is necessary to take a series of much stronger steps with regard to the new program.

Clearly, the drop in oil prices has caused a drop in the nation's foreign exchange revenues, and in the wake of that it will no longer be possible to manage the country's economy in the way it has been done in the past. Naturally it is necessary that revisions in viewpoint be made. The drop in oil prices can actually help realize the ideals of reduced dependence on oil, or an oilless economy, ideals we have heavily promoted since the revolution but never implemented. They may have actually been impossible to implement. I now feel that when we had the ability to obtain enormous oil revenues we definitely faced very great obstacles to the implementation of a plan such as the current one. Even at the present time we have many problems with cutting dependence on oil and implementing a policy of an economy without oil.

When our foreign exchange revenues drop, we must fight the needs of a dependent economy. When we have dollars and foreign exchange, we should not abandon our dependent industry; rather we should complete it and make additional investments to make it operate. Now, however, when conditions have changed, we cannot even fund the management of some of these dependent units, nor is it advisable to do so under these conditions. It is no longer possible to make new and major investments to cut the dependency of many of these units. Naturally now is the best opportunity for us to restructure the economy and retire the dependent portion of the country's industrial economy. We have begun doing this, and naturally there will be a series of consequences to these measures such as reductions in personnel, changes in production lines, shortages of certain items on the market, and so forth. The best opportunity for restructuring the nation's economy, which was not possible under ordinary conditions, has arrived.

With this reduction in oil revenues, a golden opportunity is available to our revolutionary nation and the government of the Islamic republic of Iran, which can liberate itself from dependent economic conditions. If we cannot make use of this opportunity, it will not be repeated. If even one or two years go by under these conditions and we do not change the structure of the nation's economy we will be faced with an economic crisis and we will be unable to reform the economy. Immediately after this transformation a series of policies can be implemented for which society is prepared, but if a year passes and serious changes are not made the transformation will be difficult to make later. However, society must be made aware of the necessity and value of this new program.

For example, we announced that we will no longer import butter, and society now understands and accepts this. Society understands when the price of a barrel of oil, which is our only source of foreign exchange, drops from 28 dollars to as low as \$4.80, many purchases, such as imported butter, must be stopped. Although butter is not a luxury food item and is actually part of a nation's food requirement, it is not necessary to buy it now if it requires 100 million dollars in foreign exchange.

Many reforms of this kind, having to do with economizing and the economic structure, are needed to deal with the drop in oil prices.

In short I can say that while the drop in oil prices was not our doing and that we condemn it, at the same time we view it as a fortuitous development and that our economic policy must quickly be diverted to changing patterns of consumption and reconstruction in order to reduce the expenditure of foreign exchange and increase non-petroleum foreign exchange income. The result, God willing, if we take a vigorous approach, will be that in a specified short period of time we will be able to both earn a significant amount of foreign exchange from non-petroleum sources and reduce the enormous foreign exchange expenses we have.

Of course until these conditions are met I do not believe that very many of these prescriptions we are writing can be implemented. Three years ago we did not have the ability to implement these prescriptions, nor could we two years ago. Today for example, meat is selling at high prices. Of course this is not solely because of reduced meat imports, although there was a period when we could not import meat from Europe because of the disaster at the Soviet nuclear reactor and there was a shortage. This factor has combined with current economic conditions to cause an increase in market prices for meat. There is no doubt that this creates problems for the people, but the people must be involved and progress must be made with correct planning.

[Question] Following the drop in oil prices, a new series of economic policies were adopted in countries whose economic life and structures were severely dependent on oil, such as OPEC members and the non-OPEC petroleum exporting countries. For example in Egypt a policy to limit imports and to accept foreign exchange deposits from foreigners residing there was adopted, in Indonesia and Algeria a policy was adopted to economize and limit imports, and in Saudi Arabia and the Persian Gulf nations efforts were made to circulate the foreign exchange deposits of the people and many heavy investment projects were dropped. These policies produced changes after the drop in oil prices. Now, as a consequence of the same development in Iran, as a revolutionary and progressive country, the New Economic Program has been adopted. What do you see as the main lines of distinction between Revolutionary Iran's programs and the reformist programs of the countries mentioned?

Nabavi: First of all there is the problem that I unfortunately have not studied any of the policies and programs of these countries, and I cannot give you a comparison between their programs and those of the Islamic republic. Secondly, I personally do not believe that the measures taken since the drop in oil prices have been very revolutionary or transformational. Of course we have made efforts, but there are obstacles, difficulties and limitations which do not allow us to take revolutionary steps in the sense that you mean. Even in implementing the New Economic Program we are hampered in our movements. Just as I told you, if our oil revenues had not dropped, we would not have been able to implement many of these policies aimed at reconstruction and changing patterns of consumption. We now face many problems. For example I personally believed that we needed to take a series of much stronger measures than those adopted in the New Economic Program. For example I believe that we must ration a great many goods. Of course these things are being done, but they are being done gradually. We ourselves lack the heart and courage to implement some plans or to propose stronger ones because we really feel that due to the climate of opinion that has developed concerning rationing in the last few years, 'couponism' is being equated with 'communism' and other such ideas. In the first days when this new economic situation developed I attended a general meeting with the Imam in Jamaran. As I was returning a student saw me in the street and asked me some questions. He said: They say that you told a group of people we will even be rationing pepper and turmeric; God forbid that you may actually have said such a thing to have it associated with you in a climate of opinion such as this one. You must realize that many revolutionary ideas which must be implemented very soon in this connection are in practice meeting with many problems. For example in the Economic

Council an end to rice imports and the revival of the rice rationing of 1361 [21 March 1982 – 20 March 1983] and 1362 [21 March 1983 – 20 March 1984] has been discussed in view of the new economic conditions, in order to become self-sufficient in this crop. We would implement this with new changes.

The proposal was that we would fix the prices of rice in the rice-producing provinces, especially the severely escalated prices. If we leave it this way new crops coming on the market, in view of the high prices of other rice, would stay at 60 or 70 tomans. In this way the price of rice, like that of Liqvan cheese and Kermanshah oil, would rise sharply, and if we one day wanted to use domestic rice instead of imported rice, the possibility would not exist. The proposal was that we fix the price of rice before it reaches the market. Of course in this pricing we would raise the price of high-yield rice and lower the price of low-yield rice, and close the doors to imports as we did in 1361 [21 March 1982 – 20 March 1983]. Of course the ultimate site of this measure would be the Province of Gilan, and it would begin unofficially and indirectly with the government. Of course it must be understood that true support for the farmer is not limited to our permitting the domestic price of rice to multiply five-fold, because this in itself would reduce demand for rice and would ultimately hurt the farmer.

It must not be thought that a mere increase in prices would benefit the farmer. Sometimes, to a reasonable extent, it is acceptab<sup>le</sup>. On that basis, a plan was devised wherein we would sell rice to private sector distributors for distribution, to be bought at prices we designate and to be distributed in our Tehran distribution network in exchange for ration coupons from the people. Through this method, the private sector would make some profit on every kilogram. This is a proposal we discussed with rice dealers while I was supervisor of the Economic Mobilization Staff, and we more or less reached an agreement with the committed and Muslim individuals among them. At that time they were even willing to accept one or two rials profit for each kilogram in exchange for this service. It is also a closed system. No one can abuse it because prices are fixed. The prices for sales through the distribution cooperatives are specified with the distribution units, because the rice must be sold in exchange for ration coupons. In this way the private sector is happy, the rice grower is satisfied and the consumer is happy. Likewise, the production of high-yield rice will rise and this 300,000 tons of rice marketed this year by the rice-producing provinces would increase with a distribution system to the point that instead of importing 400,000 tons of rice we would not import any. The government has not yet been able to implement a plan such as this one, which is beneficial to individuals and society in every respect. This shows that it is not enough simply for the government to make a revolutionary plan and implement it. There are many revolutionary plans the government cannot implement and the government is itself cautious. With regard to my first point, I do not know the policies of those countries you referred to, but I suppose that the things we are doing or will do must be more revolutionary in general than all of those countries. In this regard, if you yourself have studied this you can make a comparative study and make a judgement in the press. If you have good solutions, propose them to the government and the government will work on it, otherwise we will at least study it.

[Question] Mr Nabavi, of the obstacles which stand in the way of implementing more revolutionary plans as envisioned by the government, which category do you feel weighs most heavily on the shoulders of the government, the structural obstacles with their roots in the national economic structure, the so-called natural obstacles, the executive obstacles, the intellectual obstacles, or the social obstacles?

Nabavi: I do not believe that natural or structural economic obstacles are the primary ones. You yourself are familiar with this type of obstacle. As we said in our previous discussion, a series of patterns has been imposed on us that is appropriate for former levels of income.

For example we are used to doing construction and road building with machines, and it is now almost impossible to return to the use of picks and shovels. Likewise tillers, tractors and combines have become a part of our agricultural consumption pattern; even worker wages are calculated on the same basis and these are often impossible to change. In any case these are the problems with building our economy, and there are not that many solutions in many areas except where reconstruction is possible, and of course economizing is very important in these areas. In recent years we have gotten used to treating all purchases as throw-away items. For example we order a machine but we do not order spare parts, and as soon as the machine needs parts we abandon it and get another one. In all of these areas it is possible and feasible to economize.

There are implementation problems in the social areas as well and again we know how extensive each one is. Concerning the preparedness of the people, we do not prepare our people well. If we explain everything to the people they really accept everything. For example, suppose the government decides to stop distributing imported butter as of tomorrow, the people must be told precisely why there is no butter, and they must be told that we have national independence, non-dependence on oil and a fundamental elimination of a one-product economy instead of butter, and instead of butter we have a changed pattern of consumption, protection for domestic butter production and many other things. The people must be clearly told that under present conditions our income is lower than our costs and that in the end we must resolve the disparity somewhere, meaning we must reduce costs. We must also mention what costs we have already reduced before eliminating butter. If the people realize, for example, that passenger automobile production has stopped or become very restricted, and when they realize that even the production of many types of vehicles is being restricted, that several units producing vehicles have been shut down, that production lines are being changed to produce other products, they will understand that butter was eliminated after these changes and is necessary. In my view this problem is not impossible to solve, and if the people are approached directly they are very receptive.

Concerning intellectual and political obstacles, the reality is that these obstacles materialize in places where the ultimate economic policy direction is not yet clear in our society. There are still sharp disagreements over the ultimate vision of an Islamic society, whether it should be a bipolar society, or, according to the hypocrites, a classless unified society, or a composite of these two.

What is the place of the private sector, what is the place of the public sector, what are the evils of the concentration of capital in the private sector, what are the evils of the concentration of capital in the public sector, and then what kind of policy should we have, and how should we approach these problems? These things are not yet clear. This is why many decisions, which are in conflict with the views of various intellectual factions in society, naturally create problems. Concerning your question where you said Iran's program ought to be more revolutionary than those of other countries, I said it really creates problems and our hands are tied. There is weakness because of opposition, some weakness because of the fear of opposition that says we should not adopt dubious economy measures or pursue evils. It has been our policy to try not to venture into areas that might create an intellectual controversy in society, but instead to avoid controversy. We think that in doing this we will keep from using manpower for resolving controversy and solving problems produced by controversy, and being forced to deal with controversy instead of restructuring the economy, changing the pattern of consumption and implementing other useful programs.

For example, I myself believe that in the country's current situation there is no need for 150,000 Iranian pilgrims to go to Mecca, and Iran is sending pilgrims to Mecca in record numbers. Many Iranian pilgrims going to Honorable Mecca have already been there several times and their trips

are not obligatory. Although it is possible that those going for the first time may be financially able to do so, I say that the Islamic republic may not be able to afford it, because the Islamic republic gives them their foreign exchange. Another issue is the reduction of foreign exchange allotments for those studying abroad. Although these people are studying for the benefit of the country and God willing, will return and work here, we say that in circumstances when there are bigger problems, it means nothing for us to spend about 400 million dollars per year for some of our young people to study abroad. There are two possible ways around this, either they can work themselves to obtain an income to continue their studies, or they can return and serve to the best of their ability with the resources they have, or perhaps they can work for a time and then continue their studies. These plans may cause problems and losses, but that may be an alternative to greater losses. Perhaps these are some of the cases where political problems are created.

[Question] The private sector and the market have in general perceived the drop in oil prices as a positive development for themselves. Even their newspaper organ has said "the drop in the price of oil means the end of excessive government."

Of course this is being said because the drop in the price of oil reduces the government's economic power and because they view the government as their enemy and government control of affairs as a phenomenon hostile to them. On the other hand, since they know they cannot control the oil, they say that with the drop in oil prices there will be a movement in the direction of non-petroleum exports, and foreign trade will begin to be conducted on this basis. The government cannot gain control over non-petroleum exports. As a member of the Council of Ministers and as one of those who helped formulate the New Economic Program, please tell us what plans and decisions the government has made to prevent the drop in oil prices from leading to policies that will revive capitalism, because I think that one of the goals of imperialism is to have this take place, at least in Iran or in similar countries.

Nabavi: In this regard I must truthfully submit to you that the government has no such program. All of its efforts are aimed at supporting these efforts the private sector may make. The reason the government has no program is that the government, just as I said in answer to your previous question, has no specific economic policy for specifying the boundary between the private and public sectors and how to implement Article 44 of the Constitution. For this reason, not only today but in recent years I have defended the government against the charge that it has tried to prevent private sector activities. We give 80 percent bank loans for the implementation of plans, and the government gives 80 percent bank loans to any applicant in the various production sections who wants to work, including housing construction. Even under the former regime 80 percent loans were not given for the implementation of production projects. To date we have not had any projects to the Ministry of Heavy Industries which the private sector does not have the right to implement because of their volume.

None of these things have yet been done, and especially now under these conditions, all of the government's policies are aimed at protecting the private sector. Concerning what the outcome will be, I have no predictions to make, and I have no lawful responsibility to make them. It is not my job to ask whether or not it will result in a bipolar government if we do this for ten years, and I cannot make the decision not to do it. So far we have not created any obstacles for the private sector, but there may be a series of natural obstacles. Of course if we are being accused so much now of limiting the private sector when we have not created any obstacles, God help us when the day comes that we actually implement your proposal and adopt policies to keep those who are exporting non-petroleum goods from becoming powerful capitalists. We have made no policies in this area, and it is not in the interest of the government for it to get involved with this, because as

the government we cannot dictate in this area. The entire government must clarify its future direction in this area. As long as this is not clarified we will operate within the limits of existing laws and within our existing options without addressing ourselves to the question of whether it will be the private sector or the public sector that makes use of this or that policy. However we do have policies for control and supervision. For example, there is pressure to deregulate exports so they will not require currency contracts, but the government cannot accept this. A waiver of currency contracts would mean authorization for them to export all of the country's wealth without anything being gained by it. Exports are not an orthodox ideological objective for us, they are an economic objective. We want to export something that is procured with time. On the one hand, many non-petroleum exports themselves entail a foreign exchange cost to the government. Even a watermelon, if exported without a foreign exchange contract, is produced with fertilizer, seeds, pesticides, tractors, combines, roads and gasoline, all of which require foreign exchange. These things must be controlled by the government, and it is in the interest of the government of the Islamic republic to exercise such control.

[Question] You have referred to the drop in oil prices as a plot, but the hand of imperialism is less evident in this than it is in the rise of oil prices. Actually you regard the principal plot of imperialism to have been the price increases of 1973 and 1979. Could you discuss your reasoning in this regard?

I remember that under the former regime there were insiders and even opponents of that regime who took issue with the regime's desire to increase oil prices, asking how this dependent regime, dominated by imperialism, could be trying to increase oil prices and even act as an OPEC standard bearer.

In 1349 [21 March 1970 – 20 March 1971] the price of oil was perhaps about \$1 a barrel, and by 1353 [21 March 1974 – 20 March 1975] this figure had risen to \$11. If we look at the price of many other items on the international market such as iron, wheat, copper, lead, zinc, machinery and stock market items, I consider it unlikely that their prices increased ten- or 11-fold during that time. Part of the price jump occurred between 1349 and 1352, when it rose to \$2.50 per barrel, then it made a big jump from 1352 to 1353 to \$11 or \$12. At that time we considered this to be a plot for several reasons. One reason was that at that same time there was talk of exploiting the North Sea oil reserves. It was said that it would cost \$5 to extract each barrel of oil, and oil selling at \$1 or \$2 would not provide an incentive for oil exploration in the North Sea. North Sea oil would later be available to imperialism as a tool for decreasing oil prices at any time. Of course in my view this was mainly in the interest of Europe rather than the United States. Of course there were differences of opinion on this same issue between America and Europe (Britain).

The second point is that most of the oil-rich countries were under domination at that time. Oil prices were being raised while I was in prison. At that time my analysis was that the oil-rich countries, despite their enormous revenues, were also dependent and living in severe poverty. This severe poverty led to the instability of their governments, and the dissatisfaction of their people created the danger of the collapse of their regimes. Therefore how good it would be if imperialism could return some of its plunder to those countries in order to assure its permanent dominion over those countries. They needed America's help. For example, in 1342 [21 March 1963 – 20 March 1964] we ourselves were always in need of American loans and assistance, and this was the cause of differences in opinion between the shah's regime and America, which we considered to be mainly over the regime's relationship with England. The shah's regime could not

endure the crises that were created in the decade of the 30s (1951-1961), the same crises that led to the ascendance of the Mosaddeq regime and the nationalization of oil, and we believed that the regime and its European supporters wanted to cut off the regime's dependence on America.

What I consider the plot was the way the increase in oil prices made the economies of the oil-rich countries so strikingly dependent on oil. Of course we did export oil in the past, before oil prices increased, and oil may perhaps have been our principal source of foreign exchange, but there is absolutely no comparison between conditions at that time and the way things were after the oil revenues increased. In the year 1330 [21 March 1951 - 20 March 1952] and 1331 [21 March 1952 - 20 March 1953] when the Mosaddeq government established the oilless economy the total volume of our foreign trade was about 220 million dollars exports and 220 million dollars imports, with 150 million dollars in oil exports and around 60 or 70 million dollars in non-oil exports. You see that the non-petroleum exports were about two-fifths of all exports, but when Mosaddeq came to power and cut off oil exports, if oil exports were zero in 1331, the 60 million dollars in non-petroleum exports we had before 1329 [21 March 1950 - 20 March 1951] increased to 90 million dollars. With the elimination of oil our total revenue from foreign exchange was reduced about 40 percent, and with economy and import restrictions the country could manage itself. Of course loans were taken from the World Bank, and this continued to some extent until just before the sharp increase in oil prices. For example our oil income in 1349 [21 March 1970 - 20 March 1971] was perhaps somewhere above one billion dollars. In those same years non-petroleum exports were 600 to 700 million dollars. During those years the proportions were about the same, but the jump in oil prices suddenly changed all these proportions. For example in 1356 [21 March 1977 - 20 March 1978], we had 600 million dollars in non-petroleum income as opposed to 18 to 19 billion dollars in oil revenue, which is about one-thirtieth. The problem with this increase in oil prices is that society's patterns of consumption changed to conform to oil revenues. Meanwhile our non-petroleum income remained at the same level as before or lower. The changes in patterns of consumption after this increase changed our society's economic structure. In a country where the people had one million dollars in foreign exchange in 1949, conditions reached a point that even the middle class had villas in foreign countries.

Some say that even now the government should establish an oilless economy, but it must be understood that the plot was so deep that a European and American pattern of consumption has been implanted, which costs 20 billion dollars. At the same time, our non-petroleum exports are much less than this. Naturally, in the short run there is no possibility of cutting off our oil exports and eliminating our dependence on oil. In any case, however, the drop in oil prices must be viewed as a fortuitous event.

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MILITARY COOPERATION WITH U.S. VIEWED

Lahore VIEWPOINT in English 13 Nov 86 pp 9, 10, 31-33

[Article by Jamal Rashid]

[Text] THE U.S. CONGRESS this fall will begin reviewing a new six-year US aid package to Pakistan totalling more than \$4 billion. Crucial to the outcome is Pakistan's military role in the Gulf. Pakistan's military missions in 22 countries in the Middle East and Africa make it the largest exporter of military manpower in the Third World. Its role in the Gulf has a direct bearing on Washington's strategy in the region, on the future security role of the Gulf Cooperation Council and on Pakistan's own internal political dynamic.

Pakistan has consistently figured among the top five recipients of US military and economic aid over the past three decades. This request for funds beginning in FY 1988, would exceed the \$3.2 billion the country has received from the US over the past five years. Half of the new package is for military aid. Pakistan is also hoping to have interest charges reduced from the current 11 to 14 percent, with a seven year repayment period, to a more manageable 3 to 6 percent interest, with a 30 year repayment period.

Come yearly

Congress will not be particularly receptive to the request because of Pakistan's nuclear programme, the strength of the pro-Israeli lobby and the expected protests from India. Diplomats and Pakistani officials predict that Washington will actually offer about the same as the current package, but with no five-year

commitment. Washington will give a private undertaking to Islamabad that aid will be disbursed, but Pakistan will have to make an annual sales pitch.

Officials in Islamabad point out that even more important than economic and military aid are firmer guarantees from Washington that it will come to Pakistan's aid if its security is threatened. Relations with Afghanistan and the Soviet Union are at a low ebb, and the situation in Iran remains unstable; India is still considered the greatest threat. Officials in Pakistan would like to see the 1959 Executive Agreement with Washington upgraded into a full-fledged treaty. The U.S. has consistently shied away from giving such commitments to Pakistan, even at such high crisis points as the Bangladesh war in 1971.

Washington's strength

Washington is now in a much stronger position to squeeze Pakistan than it was in 1981, when the \$3.2 billion package was hastily put together following the Soviet intervention in Afghanistan. President Zia ul-Haq is no longer the leader who could dismiss President Carter's offer of \$300 million in aid in 1980 as "peanuts." The reasons for Pakistan's susceptibility vis-a-vis the US are plentiful. Both President Zia and US diplomats have stated that the Soviets do not pose a threat to Pakistan's sovereignty. There is no real fear of the Soviets wanting to dismember Pakistan. Washington's need

for a Pakistani regime that will give it access to the Afghan border regions to arm the Afghan rebels is no longer in any doubt as it was in 1981. The CIA is now directly supplying the rebels with some \$480 million worth of sophisticated armaments each year. (There are reports here in Pakistan that Stinger antiaircraft missiles have now reached the hands of the mujahideen, but rebel leaders meeting with President Reagan in Washington in late June denied this.)

Continuing political and social instability in Pakistan and tense relations with its neighbours make the military even more dependent on Washington's goodwill. Washington has strongly endorsed President Zia's lifting of the eight year old martial law and his experiment with a controlled form of democracy. But the army still maintains a powerful political role in the face of a growing opposition movement, and the regime continues to face a crisis of legitimacy.

#### Aid factors

Washington's future aid commitment will depend on the following factors:

- \* Pakistan must desist from testing a nuclear weapon, although Washington is not averse to Pakistan continuing its nuclear programme. U.S. officials have told Islamabad that they cannot press an aid package through Congress if Pakistani businessmen continue to be arrested for buying nuclear weapons technology in the United States.

- \* Islamabad must continue to improve its relations with India, so that U.S. support for Pakistan does not compromise Washington's now-friendly relations with New Delhi. Washington will be much more cautious on what arms it sells to the Pakistani military, because of the adverse impact such sales would have on Indo-US relations.

- \* The U.S. will continue to be given full access to the Afghan border regions in order to arm the Afghan rebels. Last year, a task force of a dozen U.S. Senators and Congresspeople criticized the gross mismanagement and corruption in the CIA arms pipeline. According to

Senator Gordon Humphrey, up to 80 percent of the aid was being siphoned off before it reached the rebels. He blamed Pakistani officials, the Afghan guerilla leaders and the CIA itself. Sources claim that the CIA intends to tighten up the pipeline by insisting on an even greater direct role in the distribution of arms and money to the rebels. The role of Pakistan's intelligence services will be reduced, but new weapons systems the CIA introduces will still have to be vetted by Islamabad.

- \* The U.S. is keen to have greater access to Iranian border regions. Reliable sources claim that at present Quetta, the capital of Baluchistan province, and Erzerum in eastern Turkey have become the major listening posts and operational bases for US intelligence on Iran. Washington is trying to rebuild its intelligence and information gathering network in Iran before Ayatollah Khomeini dies.

- \* The U.S. is also stepping up the recruitment of Afghans in Pakistan for use in undercover operations in Afghanistan, Iran and the Gulf. In 1984, the American media reported that over 100 Afghans had undergone intelligence training in the U.S. to handle the clandestine arms pipeline. The majority are stationed in Pakistan, where they handle the arms inflow, and recruit and train more Afghans. Others have been moved to the Gulf, Saudi Arabia and Iran. They are Muslims, they speak Persian and Pashto, and many speak English and Urdu as well. They elicit political sympathy because of the Soviet presence in their country. This makes them a natural resource base for U.S. intelligence.

- \* Washington would like to enhance the agreement it has with Islamabad for full access to all new Soviet weapons captured by the rebels in Afghanistan. In July 1985, two Soviet Hind MI-24 helicopter gunships flown to Quetta by defecting Afghan pilots were handed over to the U.S. military for inspection as part of a secret agreement with Islamabad. (Diplomatic sources confirm this; Islamabad has neither denied nor confirmed it.)

- \* The U.S. would like to encourage Zia-ul-Haq's programme of gradual "democratization" process, as long

as it does not alter the country's foreign policy and the army retains overall control. The Reagan Administration is apprehensive about the demand by Pakistan's 11 major opposition parties, united in the Movement for the Restoration of Democracy (MRD), for direct talks with Kabul and a political settlement in Afghanistan. U.S. Ambassador Deane Hinton created a storm of criticism last year when he claimed to be baffled by the thought processes of those opposition MRD leaders who demand direct negotiations with the Kabul regime. With the lifting of martial law at the beginning of this year, a country-wide protest movement has erupted against President Zia's Afghan policy, demanding a settlement, the return of refugees.

\* The U.S. would like to encourage Zia-ul-Haq's programme of gradual role in the U.S. Central Command (formerly the Rapid Deployment Force) strategy in the Gulf.

#### Military links

The U.S. has had close ties with Pakistan since the State's inception in 1947. Secretary of State John Foster Dulles promoted the notion of "the two strong points of Turkey and Pakistan to contain communism." President Richard Nixon later included Iran as one of the "anchors of stability in West Asia." President Jimmy Carter proclaimed a strategy of "four pillars," which included Egypt. President Reagan's spokesmen have said that "a stable Pakistan can serve as an anchor for the entire region." Yet relations have always deteriorated after Indo-Pakistan wars, which led to the U.S. arms embargoes on Pakistan.

Pakistan's military links with the Middle East began with U.S. sponsorship. As a member of the Dulles-era military pacts - SEATO (South-east Asian Treaty Organization) and CENTO (Central Treaty Organization) - Pakistan received lavish U.S. military aid and forged links in the region. In the 1960s, President Ayub Khan exported over-ambitious or disgruntled officers to help build the emerging armed forces in the Gulf States. Many of these

officers subsequently retired from the Pakistan Army and now work as permanent staff of the Gulf armies. In 1967, Ayub concluded a formal agreement on cooperation in military training with Saudi Arabia.

After the loss of Bangladesh in 1971, Zulfikar Ali Bhutto sought to distance himself from the subcontinent and projected Pakistan as a Middle Eastern Power, cementing financial, economic and military ties with the now oil-rich Gulf countries. Thousands of Pakistani military personnel, especially technicians, pilots and officers, filled the gaps in the Gulf armed forces.

#### Gulf aid

In return, Arab wealth helped rebuild the shattered Pakistan army. Arabs financed Pakistan's major arms purchases during arms embargo imposed by the U.S. and the West. Most of these . . . deals remained secret, but it is known that Libya gave Pakistan \$200 million to buy arms in 1975-76 in return for pilots for the Libyan air force. Abu Dhabi funded the purchase of 32 Mirage V fighters at a cost of \$330 million and contracted Pakistani crews to fly 24 for its own air force. President Zia continued this policy. In 1981, Saudi Arabia financed the \$800 million purchase of 40 F-16s from the U.S. for the Pakistan Air Force. In return, Pakistan agreed to station troops and technicians in Saudi Arabia.

According to Government officials, Pakistan now has military missions in 22 countries, making it the largest exporter of military manpower in the Third World. Pakistani military personnel serve in all Middle East countries except Egypt, North and South Yemen and Israel. They also serve in many African countries, including Kenya, Tanzania, Maldives and Zambia. After a coup attempt in Kenya, all senior Kenyan air force officers were replaced by Pakistanis. Pakistanis also run the air forces of Zimbabwe and Somalia. The Omani army has traditionally recruited manpower from Baluchistan and hired Pakistani army officers for all middle and junior ranks. Pakistani naval person-

nel predominate in the fledgling navies of the Gulf Cooperation Council (GCC). Pakistani naval crews are helping the French-run Saudi Arabia's new naval school in Jubail, which will train all naval officers from the GCC. Hundreds of Pakistani pilots and air crews are seconded to the air forces of the GCC.

Approximately 40,000 to 50,000 Pakistani military personnel are now serving abroad. At present, the largest commitment is to Saudi Arabia, where Pakistan has exported an entire infantry unit. It is estimated that Pakistan has one division (13,000 men), two armoured and two artillery brigades (10,000 men), and numerous naval and air force personnel in Saudi Arabia. Pakistan also provides labour for Saudi military construction projects of the U.S. Army Corps of Engineers.

#### Personnel export

The military has ruled Pakistan since 1958, except for a brief spell from 1971-1977. It has benefited enormously from this export of personnel. It now has nearly 500,000 men under arms and another 500,000 in reserve, two-thirds more than President Ayub had to fight the 1965 war with India. Since 1971, the armed forces have increased at a steady rate of 10 percent per annum, while from 1979 to 1982 the defence budget rose by 56 percent. Those abroad on deployment are rotated every one or two years, so that today some 40 percent of the armed forces have been the beneficiaries of the greatly enhanced salaries abroad. A Pakistani major serving in Saudi Arabia receives Rs. 70,000 salary compared to the Rs. 3,500 he receives at home. A private gets Rs. 12,000 compared to Rs. 800 at home.

These conditions have led to a scramble among officers and men to go to the Gulf. On their return, officers can build houses and import luxury consumer items not previously available to them. It has fostered a new, wealthy, highly privileged military elite that has a vested interest in maintaining the status quo.

These policies have also brought problems for Pakistan's relations

with the Arab world. Pakistani officers in Jordan had to fight alongside King Hussein's army against the Palestinians in the Black September war in 1970. During the last Martial Law, Palestinian-Pakistan relations reached their lowest ebb, despite Pakistan's continued lip service to the Palestinian cause. When Libyan troops invaded Chad, Pakistan withdrew its military mission and relations are poor. The trickiest situation has been the Gulf War. Pakistan has tried to maintain good relations with both Iran and Iraq, but there is always the danger that Pakistani troops could become involved if the war spreads.

#### Military collaboration

There are no formal arrangements between the U.S. and Pakistan on combined military operations in the Middle East. But Pakistan's military presence in 22 countries, most of them close U.S. allies, allows Washington to avoid a direct military presence and rely on Pakistani forces, especially in military-technical roles.

There is already some cooperation between Central Command and Pakistan. The U.S. has been in the forefront of refurbishing the Pakistan navy. It began the supply of six refitted Gearing-class destroyers (for \$18 million) in 1978. Since then the U.S. has provided Harpoon ship-to-ship missiles in 1983 and Mohawk OV-10 radar planes. France has sold Pakistan 11 submarines, while the Chinese have supplied smaller patrol craft. The Pakistan navy — its helicopters armed with Exocet missiles and accompanied by reconnaissance aircraft — has been patrolling alongside the U.S. carrier battle group in the Arabian Sea. Reports last year said that Pakistani naval ships had been providing the U.S. battle group with supplies from Karachi, which is the largest naval and logistical port supply facility in the region. US Congressional hearings also disclosed that American P-3 ASW (anti-submarine warfare) aircraft have been regularly refuelling at a Pakistani air force base near Karachi. On a visit to Pakistan in January

1985. U.S. naval commander Admiral James Watkins said that reinforcement of the Pakistan navy was essential not only to safeguard Pakistan but to strengthen regional stability. Since then there have been numerous visits by U.S. naval personnel.

Pakistani critics of the naval build-up argue that the country does not need a large navy because any threat from its neighbours will not come from the sea.

### Pakistan and the GCC

It would be naive to presume that Pakistan's military presence in the Gulf is solely dictated by U.S. interests. But these military links are independent only to the extent that the GCC is itself militarily independent of Washington. In two decades Pakistan has forged close, independent relations with fellow Islamic countries in the Arab world. Some 30 per cent of Pakistan's exports (mostly foodstuffs) and imports (entirely oil) involve the Middle East. So do the livelihoods of more than a million Pakistanis who work in the region. These workers in 1983 remitted \$3 billion to the national treasury. Middle East economic assistance to Pakistan between 1973 and 1983 stood at \$2.2 billion, not including arms purchasing assistance.

Pakistani officials stress that these economic spinoffs would not have been possible without Pakistan's military presence in the region. They speak a new strategic language — of the Gulf being "Pakistan's backyard," and how "Islam has historically bound Pakistan to the Gulf rather than the Indian subcontinent." For many, this argument is fundamentally flawed because it ignores the ethnic, cultural and historical ties that Pakistan has always had with the subcontinent. More to the point, it places Pakistan in a volatile area as a surrogate for one superpower.

Economic relations with the Gulf are now showing a marked decline. Pakistan's exports have been steadily declining because of the vagaries of world food markets. Remittances have shown a 25 per cent decline in three years because of the downturn in the Arab oil economies; thousands of Pakistanis are being forced to

return home. Arab investment in Pakistan has fallen far short of expectations, and is now near zero because of the political uncertainty and the Afghan crisis.

The mere presence of so many Pakistani military personnel in the GCC indicates that Islamabad has been closely involved in the unification of GCC armed forces. Pakistan has been acquiring those weapon systems purchased by the GCC countries. It is helping the GCC to coordinate its air defence network, carry out collective air reconnaissance over the Gulf and help systemize GCC training and technical expertise.

Officials in Islamabad are most excited about the possibility of a GCC weapons industry and ammunition manufacturing base, possibly to be set up in both Saudi Arabia and Pakistan. Such a plan was mooted in 1974 with Egypt, but fell through after the Camp David Agreements.

### Baluchistan

The key to Pakistan's involvement with US and GCC security interest in the Gulf is the southern province of Baluchistan. It is the largest province — 134,000 square miles or half the size of Texas. Its deserts and rugged mountain ranges are inhabited by 4.2 million people, most of them linked through a semi-nomadic tribal system. The Baluch tribes, led by nationalist elements seeking autonomy, have remained aloof from the central Government.

Securing Baluchistan became a principal policy concern for the Zia regime and the U.S. after the Soviet intervention in Afghanistan and the Iranian revolution. The province's northern border with Afghanistan has become, after Peshawar, the second most important staging area for Afghan guerilla attacks into Afghanistan. Most crucial of all is the province's 400 mile coastline on the northern shore of the Arabian Sea.

The small fishing ports that dot the Makran coastline offer excellent potential naval harbours but there is no infrastructure of roads, airfields or electricity. In his 1980 Rand Corporation report, Francis Fukuyama recommended that the

U.S. assist in building an entirely new force armed with mountain warfare equipment and based on the Afghan border in Baluchistan and the NWFP. "An alternative strategy was for US economic aid to build up the infrastructure of the NWFP and Baluchistan," Fukuyama wrote. "This type of assistance would be politically less provocative because while it would have a clear-cut military utility, it could be disguised as economic aid."

The US opted for Fukuyama's second alternative. The Zia regime initiated a three-phase development strategy to win Baluch "hearts and minds" and create a military infrastructure on the Afghan and Iranian borders. The annual development budget for the Baluch Province was doubled, compared to the Bhutto era. The country's Sixth Five Year Plan (1983-88) allocated an unprecedented Rs. 4.7 billion (\$400 million) in 1983 to development projects. The plan outlaid funds for eight major road systems, totalling 2,200 kilometres. The entire Makran coastline would also be provided with electricity.

The third and most audacious scheme was the Special Development Plan for Baluchistan. Drawn up in 1980 by U.S. Agency for International Development (USAID), the Pentagon, the World Bank and Pakistan. It envisaged a \$2 billion plan to be entirely financed by those countries with a stake in the Gulf's security:

To potential foreign investors, the Special Plan portrayed Baluchistan as vulnerable to a possible Soviet thrust southward to the Gulf, and warned of the dangers of an untamed Baluch tribal nationalism spreading to Iran and the Gulf.

World Bank teams visited the province throughout 1980 and 1981, including former Bank president Robert McNamara. In 1981, senior officials from the Pentagon, USAID and US Senators all visited the province. USAID Administrator Peter Macpherson said during one of his many visits to Quetta that aid requirements to Baluchistan "were essential because they were important to Pakistan's overall strength." President of the World Bank A.W.

Clausen came to Quetta in January 1982 to sign the first loan of \$300 million for the SDP. By then the Zia regime had also received the \$3.2 billion aid package from the Reagan administration. Out of the \$1.6 billion allocated to economic aid, \$30 million was to be spent in Makran alone.

By 1983, a dozen countries and lending institutions had committed themselves to the SDP. These included—apart from the U.S.—Kuwait, Japan, West Germany, the Netherlands, Great Britain, the EEC, World Bank, the IDA and UNICEF. Countries picked up entire projects with a minimum investment by the Pakistan Government. USAID committed itself to \$390 million for the development of Makran, which included building the Makran highway. Three modern harbours for fishing are being built at Pasni, Ormara and Jewani, while a major naval harbour is being built at Gawadar. The Japanese, who had initially signed the Gawadar deal for a fishing port, declined after it became a naval project. Five new airports have also been completed at Pasni, Ormara, Gawadar, Jewani and Panjgur. Some are being used by Pakistan International Airlines; their long runways also make them suitable for military aircraft.

U.S. awareness of the Baluchistan problem was scant before the Soviet entry into Afghanistan and the drive for Central Command facilities. The Asian mainland bordering the Gulf was considered secure as long as the Shah was in power. His overthrow and subsequent instability in Iran made Makran crucial to U.S. strategy. The GCC, now heavily dependent on Pakistani military manpower, also favoured a secure rear base in Makran.

Admiral Thomas Moorer (ret.) argued in 1980 that a full US naval base should be established at Gawadar and electronic intelligence facilities restored at Peshawar. Fukuyama's report also stressed the importance of Makran ports for the pre-positioning of Central Command's roll-on/roll-off ships.

Pakistan's military regime consistently denies that the U.S. has any bases on Pakistani soil, and

former Foreign Minister Agha Shahi declared that bases were not even discussed during the signing of the 1981 aid package. Some diplomats in Islamabad believe that Gawadar is a Pakistani naval base; although not a U.S. naval base yet, it may have electronic communication facilities for use by the U.S. fleet in the Arabian Sea. The massive infrastructural buildup in Makran does point to a possible future use of Makran's facilities by U.S. or GCC forces if the occasion demands.

#### **U.S. demands and the future**

Military officials of both countries have been conducting intensive negotiations. In July 1985, General K.M. Arif, Deputy Chief of Army Staff, paid a ten-day official visit to the U.S. In November, Richard Armitage, UnderSecretary for Defence, visited Islamabad for five days with a high-powered defence team. In December, General John Wickham, U.S. Army Chief of Staff, spent six days in Pakistan. The Commander-in-Chief of Central Command, General George Crist, spent four days there in January 1986. There were no official statements, but diplomats believe that both sides discussed Pakistan's future arms requirements, the Afghan situation and Pakistan's role in Central Command. U.S. Ambassador Deane Hinton said in January 1986 that the U.S. was not seeking military bases in Pakistan, but only "close and cooperative relations." Islamabad has again said that it will not allow U.S. bases in Pakistan. However, much closer military cooperation between Pakistan

and Central Command and Pakistan and the GCC cannot be ruled out; in the present aid negotiations, the US seems to be seeking a commitment from Pakistan much like the one it sought from Saudi Arabia; that in an emergency its ports and air bases could be utilised by Central Command.

Pakistan's position as a frontline State against the Soviets in Afghanistan, its involvement in Gulf security, and its proximity to Iran has brought it within Washington's very close ambit. In the West's eyes, this has legitimized the past eight years of martial politics.

However, the lifting of Martial Law has released a wave of political

activity. The Movement for the Restoration of Democracy has demanded a solution to the Afghan crisis and a return of the Afghan refugees. Some politicians and Shi'a activists object to Pakistan's role in the Gulf. There have been country-wide anti-American demonstrations against U.S. policies in Libya and Afghanistan. There have been demands to lift the veil of secrecy from the military's past commitments to the U.S. and other countries.

Neither Washington nor the Pakistani high command is likely to tolerate any opposition demands to change Pakistan's foreign policy to one of strict non-alignment. There is far too much at stake. The consequence can only be either another (fourth) martial law, or a deal between the opposition and the army to maintain Pakistan's present foreign policy posture. Neither answer augurs well for democracy or for peace in the region.

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DEMOCRATIC EXPERIMENT TRIED BY REGIME DISCUSSED

Karachi JANG in Urdu 8 Nov 86 p 3

[Commentary by Irshad Ahmad Haqqani]

[Text] Present Democratic Experiment

A look at the national scene in Pakistan gives us the picture of a country in the grip of civil strife, corruption and utterly devoid of law and order. Everybody is frightened by the terrible present and the dark future. Has the process of our downfall as a nation set in? The religious sects are fighting, brothers are killing brothers; loot and arson are the order of the day. This situation can be studied from several points of view but we think that the true cause of all this trouble is the cessation of democratic activity in the country. This activity stopped, when 9 1/2 years ago the martial law authorities broke their promise of holding elections after 90 days. But the democratic activity was hardest hit when in 1979 the second promise of holding elections was broken on 16 October. Then all political parties were banned and pre-censorship was imposed on the media; the martial law was given a new lease of life. It was like a reimposition of martial law. From that moment to January 1982, when the (now defunct) Shoora was organized, the country lived in a complete political vacuum. The Shoora was a sort of debating society, but so ineffectual that its impact on the life of the nation was even weaker than the impact that a debating society has on the life of a college. The outline of the present political setup was created in a meeting of the Shoora on 12 August 1983. Many matters at this meeting were left unsettled, including the future of the political parties and their role in the elections which were supposed to be held within 18 months. For more than a year the nation was wondering what sort of a political setup it was going to receive. For another year or so we toyed with the idea of whether the elections would be held on the party basis or not. Those at the helm were asked the same question time and again as to whether the elections would be held on the party basis?

We could hear arguments for and against this method of holding elections, all over the country. The regime was pleased to see people busy in this game of words. At last this question was answered on 12 January 1985 and the schedule for the nonparty elections was published. To it was attached a long list of parties who were unfit to take part in the elections. Then quite

unexpectedly, on 16 January many names were exempted from the ban, Mrs Nusrat Bhutto and Benazir Bhutto among them. But since the decision for nonparty elections was unchanged the MRD decided in its meeting at Abbottabad to boycott the elections as it had boycotted the Referendum. The elections took place without several parties, some within and some outside the MRD. The dangers of the nonparty elections, pointed out by those who were against them, have by now materialized in the smallest details. The efforts to turn the results of nonparty elections into the formation of a party government have proved sadly unsuccessful. The prime minister was so frustrated by the lack of discipline in his party that he told the members to quit the party if they were not willing to keep party discipline.

Many leaders, besides Dr Mehbubul Haq have deplored the corruption rampant in the administration, but the recent disclosures about the Ministry of Commerce and National Shipping Corp., and what we learnt about the doings of the Public Accounts Committee of the National Assembly, are enough to show the extent to which the cancer of corruption has eaten into our body of politics. Despite the denials by the former minister of commerce, the prime minister has stated that he has relieved him of his post after receiving proof of his involvement in the act of corruption. During the same period the demand of the members of Assembly and the Senate about the grant of housing plots in Islamabad or other places of their choice had been accepted. The scandal of the sale of a hotel in Sukkar had already reached before the National Assembly. On the other hand the former minister of commerce has said that if his name is not cleared publicly, he would go to the president and with his help bring all the facts before the public. The charges and counter-charges that have taken place in Punjab have clouded the reputation of everybody concerned.

This is one side of the achievements of the present parliamentary system. How good it is and how far it has succeeded in solving the problems of the country, will be decided by the people themselves. Now let us look at the other achievements of this parliamentary system. Here we shall not give our own evaluation of the government's work, but refer to the statement made by a member of the parliament, Haji Saifulla Khan: "Owing to its unsatisfactory work the parliament has lost the confidence of the public." He said a lot more but if we repeat it we would be charged with the defamation of that august house and its honorable members.

How successful is the administration that resulted from the nonparty elections can be seen from what occurred recently at Peshawar, Quetta, Lahore, Heydarabad, and Karachi. The administration proved to be a miserable failure, specially with regard to the linguistic and ethnic riots of Heydarabad and Karachi. This fratricide has caused dozens of deaths so far, but members of the parliament have not taken any noteworthy step to improve things. The reason is that none of these people has any political training or commitment. They cannot observe things from a political point of view and cannot solve political problems. There are no politicians in any government institution. There is a complete political vacuum in the country. In the words of Mr Ghulam Mustaf Jatoi, "Rome is burning and our leaders are busy enjoying

feasts." All this terrible state of affairs has resulted from: the long cessation of political activity in the country; ban on political parties; creation of an unelected artificial "ruling political party," consisting of antagonistic groups bound together by nothing more than the desire to stick to power at every cost. As a matter of fact the incidents of corruption at the highest official level, and the failure of the administration to prevent the murders that are being committed in different provinces on all sorts of pretexts are such glaring proof of the incompetence of the present regime that no "charge sheet" by a rival party is needed.

The impression that an average Pakistani has about his homeland is that this country where there is no peace and security for any body, is just a hot-bed of intrigues and the rulers are only interested in feathering their own nests. How can we expect to see a revolutionary change in the present political setup? All that can be done is to trust the intelligence of the people. And with their cooperation to make another effort to save the country. This would be possible only if those at the helm were willing to come out of the shell of their own petty selfishness and think about the wider and bigger national issues. At present they do not seem to be up to it. May God have mercy on us!

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COMMENTARY ON REASONS FOR TOLERANCE OF DISINTEGRATION TALK

Karachi JANG in Urdu 8 Nov 86 p 3

[Commentary by Ahmad Nadim Qasimi]

[Excerpts] Pakistan is probably the only country on earth where people can talk openly about its break-up and get away with it. Those who object to poets using words like "darkness" and "pain" hear with unwrinkled brows such words from anti-Pakistan Pakistanis--"It is time this country were broken." Such people are not only tolerated but even lionized. We criticize them in general terms but are afraid of naming them as individuals. These wretches, though not large in numbers, always attack and defame Pakistan's founder, its ideology and its integrity. Though all such irresponsible talk is a crime according to our constitution, yet nobody is ever apprehended for saying such anti-national things or given a deterrent punishment.

Recently we heard these words from Hafiz Pirzada, the general secretary of Sind-Baluch-Pakhtun Front: "If our demand for Confederation is not met we shall fight for the independence of Sind." This is a bid for open rebellion. We are astonished to hear these words from a man who was once the right-hand man of a staunch Pakistani like Bhutto. Our government authorities, being penny wise and pound foolish take no notice of such treasonous words, but if somebody writes an article criticizing the policies of the regime he is treated like a criminal and ordered to explain himself before a court of law. Is it just to be rough with those who are weak and cringe before those who are strong?

Twenty years ago a literary society was founded here, in whose manifesto it was declared that Pakistan is inhabited by several nations. This view had been adopted from the thesis of a Soviet intellectual who had written that Pakistan is inhabited by Punjabi, Pashtun, Baluch, Sindhi, and Bengali nations. The strangest thing is that this very Russian writer, in yet another thesis tried to prove that in India there is only one nation, while the Sikhs, Marathas, Bengalis, and Kathiawaris are merely words to identify different parts of the nation. We had at that time taken strict notice of what the manifesto of that literary society said and told them quite definitely that Pakistan is inhabited only by the Pakistani nation. Punjabis, Sindhis, Baluchis, and Pashtuns are nationalities included in the nation of Pakistanis. As soon as we uttered these words we were changed from

"progressive" into "unprogressive" writers. After that nobody took any notice of the former general secretary of the Progressive Writers.

We know that talking about the Pakistan nation will land us into similar trouble again. But honesty and patriotism demand that we point out the enemies of Pakistan and ask those at the helm not to forget the lesson they learned when Bangladesh was created. Another such step would be suicidal for our country.

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PAKISTAN

BRIEFS

CHIEF MINISTER ON GOVERNMENT JOBS--The Punjab Chief Minister, Mian Nawaz Sharif, has decided that all government jobs from Grade 1 to 15 should henceforth be filled on the recommendation of committees of MNAs and MPAs to be appointed soon in the province. This is a short-sighted step which will almost certainly politicise the bureaucracy, reduce efficiency and lead to unprecedented corruption . . . . It appears that he wants to introduce the American system under which the spoils of war belong to the victors. That which is poss'ble under the American system (where there is near hundred per cent literacy) will quickly degenerate into a free-for-all in a society which has little or no experience of a peaceful, democratic transfer of power and in which the necessary checks and balances to control executive excesses have been wantonly destroyed. Mr. Nawaz Sharif and his men were elected--if that is the right word--to legislate and not to become super-executives with powers to hire and fire civil servants. That function must remain the exclusive domain of the executive arm of the administration duly answerable to Parliament. The Punjab Chief Minister may win instant popularity in the Punjab Assembly by distributing jobs among the supporters of his supporters but he may be sure that by so doing he will be undermining his own administration. [Text] [Lahore VIEWPOINT in English 13 Nov 86 p 34] /13104

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